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PAPER VIII

LOCAL GOVERNMENT IN TAMILNADU

MADURAI KAMARAJ UNIVERSITY
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The Department of Public Administration welcomes you for the Second Year. One of the subject in this year is "Local Government in Tamil Nadu". This is an interesting subject. The foundation of good governance is based on sound Local Government, so we have selected this paper in this year. For your convenience, the subject is divided into 20 lessons. Make use of Contact Seminars organised by the Institute and clarify all your doubts in this subject there.

Best Wishes

Department of Public Administration

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PAPER VIII

LOCAL GOVERNMENT IN TAMILNADU

Meaning - Scope - Importance of Local Government - Evolution of Local Government in Tamil Nadu - Position of Local Government in Madras Presidency before and after Independence - Balwantra Rai Mehta Committee Report - 73rd & 74th Constitutional Amendments and New Panchayat Raj.

Organisation - Structure of Local Government - Municipal Corporations - Municipalities Panchayats - Functions of Local bodies - Community Development Schemes - Political Parties and Local Government - Election - Caste - Leadership in Local Government.

Personnel System of Local Government in Tamil Nadu - Financial Administration of Local Government in Tamil Nadu - State control over Local bodies in Tamil Nadu.

Books Recommended

1. Dharambal - The Madras Panchayat System Vol.I Impex India, New Delhi
2. Gnanapragasam C. - Local Government in Tamilnadu (Tamil) Madurai Kamaraj University.
3. Maheswari S.R. - Local Government in India, Laxmi Naran Agarwal, Agra.
4. Saraswathi - The Madras Panchayat System, Vol II, Impex India, New Delhi.
5. Venkatarangiah S. and Pattabhiram . M. - Local Government in India, Select Readings, Allied - Publishers, New Delhi.

SCHEME OF LESSONS

1. Nature and Scope of Local Government
2. Historical Development of Local Government in India
3. Urban Local Government in Tamil Nadu
4. History of Panchayats in Tamil Nadu
5. Balwantrarai Mehta Committee Report
6. Organisation and Structure of Local Government - Municipal Corporation
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12. Community Development Programmes
13. Political Parties and Local Government
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15. Electoral Reforms of Panchayats in Tamil Nadu
16. Role of Committees in Local Government
17. Role of Collector in Local Government
18. Personnel Administration of Local Government
19. Financial Administration in Local Government
20. State control over Local bodies

Nature and Scope of Local Government

Local government is the government of a specified locality. The people of the locality from their own Government to look after their problems. These problems are solved by themselves through the available resources of the locality, so local bodies are functioning in an independent manner. But, of course, the local bodies are the result of Statutes passed by Central and State Governments. So, local Government enjoys complete autonomy within the scope provided by the Statute. This Local Government relieves the burden of Central and State Governments. It encourages the initiatives of the local people. Local people alone will take adequate interest in solving their own problems. Thirdly, it is a training ground for future administrators and politicians. It is a school of democratic training of the people. Fourthly, the functions assigned to a local body depend upon the area and its needs; therefore, a uniform rule cannot be laid down regarding their functions. Further, it also depends upon the interest of the local people evince in their problems, the resources of the locality and the needs of the people.

The need for local government is not a theoretical one but is the need for an effective means of carrying out important public services which central government could not scope to provide itself. Local authorities provide the essential ingredients of democratic society; elected representatives who are close to those they serve, and who form an easy channel of communication between public opinion and the council. No other body does this, Parliament and government are remote from everyday life and in many spheres the citizen is governed by impersonal adhoc bodies whose lay members (if any) are nominated not elected.

In England, as in other countries, powers are divided between different areas and agencies of government according to what Arthur Mass calls the basic values of modern democratic society; liberty, equality and welfare. The values of liberty are promoted by the different tiers of government which protect the citizen from arbitrary rule and over-concentration of power. Equality is added by giving people the opportunity to vote, and to take part, in as many public bodies as possible, welfare goals are promoted by allocating power so that government services effectively meet the social and economic needs of society.

Other commentators have examined the principles and values of local government against the actual working of local authorities. There are two kinds of concern here. One is the way individuals are treated; equal consideration, justice and fairness are examined in the light of every day services and the experience and expectations of ordinary people. The other concern is with variations between local authorities as seen against the clashing of territorial justice and territorial democracy. That is, citizens expect similar services wherever they may live but, at the same time, expect local initiative, flexibility and local control over decisions. Bleddyn Davies asserts, after examining government local services in detail, that territorial justice and 'healthy local government, are opposing claims.

Those current concerns show the way in which the problem of local government and democracy are intimately related. Since the time of John Stuart Mill local government has been justified as an integral part of democracy. The ordinary person learnt democratic citizenship in his own community and shared in power and influence. The democratic values of liberty, equality and fraternity were made real in the self-governing community.

Ordinary people have demanded more say in local issues. They have joined together to protest, to demand change, and to provide new ideas and services. Planning, housing, education, and services for the poor, the elderly, the handicapped are all vigorously debated. Local government is again seen as an essential part of democratic citizen by taking part in community life but because he has a right to expect effective services and to by justly treated.

The need for healthy grass roots is continually emphasised. This does not mean that it is possible to speak of the democratic theory of local government. Local and national democracy are one system. There is no such thing as 'local democracy', separate and autonomous, and justified solely in terms of the self-governing community. There is a democratic theory of government and society, in which there are different public and private bodies and a fabric of attitudes, behaviour and expectations. Local government is part of this society.

Democracy and Local Self- Government

By local government is generally meant a system of territorial units with defined boundaries, a legal identity, an institutional structure, powers and duties laid down in general and special statutes and a degree of financial and other autonomy. The definition of democracy, on the other hand, is concerned with the national political system based on citizen participation, majority rule, consultation and the responsibility of leaders to lead.

Historically, there have been three contradictory views of local government and democracy are related. The first view, that of Toulmin Smith and the mid-Victorian romantics, is that local self-government is a cherished tradition in total opposition to the elected democratic principles. The second view is that the principles of democracy, majority rule, egalitarianism and uniform standards for all-cannot accommodate the claims of local government which is parochial, diverse, varied and potentially oligarchic and corrupt. This critical view of modern local government is well argued by Langrod and Moulin. The third view is the John Stuart Mill tradition which holds that democracy and local self-government are necessarily related. Liberty is strongly defended; tax payers must be allowed a voice in government; be informed and consulted; and people must also be free, in their towns and villages, to manage their own purely local interests.

John Stuart Mill, like Tocqueville, justifies local government as political education and as the unique setting for fraternity. As such it is the prime element in democracy and has an intrinsic value regardless of the functions it may carry out. This, a prior reasoning is denied by modern pragmatists who would be more likely to argue, with Whalen, that the division of powers between central and local government is not a matter of principle. Convention, and

the traditional political framework, determines the role of local government in the state and its contribution to democratic society. Hugh Whalen's pragmatic conclusion is that local government is part of political tradition and a way of providing government services rather than self-government.

In practice, local government may not possess the legitimacy which theorists claim for it since, the citizen's interest is concerned only with individual problems and grievances and he is otherwise relatively indifferent to its existence. The practical approach then is to see local government as providing services for local inhabitants, and protecting them against an impersonal bureaucracy. Again, this is better achieved locally than centrally since councillors are in a better position to control the expert and judge his advice.

Professor Langrod stated that democracy was concerned with the nation-state as a whole and with majority rule, equality and uniformity. Local self-government, by contrast, was parochial, and was concerned with local differences and separatism. These two were essentially opposed and it was only a historical accident that they had developed together, in the nineteenth century.

It was equally false, Langrod declared, to see local government (as Mill had done) as the setting for political education for democracy. Few national leaders come from the local area and local politics are more likely to democracy. The citizen was more likely to learn about democracy from national politics and national issues.

A Belgian civil servant Dr. Leo Moulin, also refuted the Mill tradition that local government was an education for democracy. The individual's local involvement is in practice very limited. In any case, central government is so different in its scale as to be different in kind, so that local experience and knowledge were hardly appropriate to national affairs.

There are certain conditions which are necessary for success of local Government. The conditions are,

1) The maximum encouragement and guidance from the government.

2) The Government should exercise adequate supervision to ensure that local bodies work satisfactorily and use their finance properly.

3) The availability of resources is another important condition. Local bodies need adequate finance, and for this there should be various rich source of income.

Model question for guidance

Discuss the importance of Local Self-Government.

Historical Development of Local Government in India

The history of local self-government in India dates back to very ancient times. The research of number of Indian historians has brought out the fact that there was in ancient India well settled and more or less highly developed system of local government. The village communities of early times, the Sabha and Samiti, the two popular assemblies, and village panchayats in the medieval and Mughal period existed as units of local government. Though local government institutions have existed in India since ancient times, these institutions in the modern sense never existed before the advent of the British. These institutions acquired representative character only during the British period.

The development of local government may be studied under different stages. The first stage covers from 1687 to 1881; the second stage begins in 1882 and ends in 1919; the third stage is the development under Dyarchy; the fourth stage is the development under Provincial Autonomy and the last stage is from the commencement of Constitution in 1950.

Municipal Government was first introduced in India in the last quarter of the 17th century in the Presidency town of Madras. In 1687, the Court of Directors of the East India Company ordered that a Corporation composed of Europeans and Indian members modelled on the Charter of Borough of Portsmouth should be formed for purposes of local taxation. Madras Corporation was established in the year 1688. This venture has a brief and unsuccessful trial. A Royal Charter of 1726 established a Mayor's Court in each of three presidency Madras, Bombay and Calcutta. These courts were more judicial than administrative bodies. For the next 50 years no further mention of municipal legislation is to be found in any presidency. The Regulating Act of 1773 empowered the Governor - General in Council to appoint the Justice of Peace for the Presidency town from among covenated civilians and other British subjects, who were in turn invested with authority to provide for the sanitation and protection of Madras, Bombay and Calcutta. They were empowered to impose taxes on houses and lands to provide sanitation etc. But the principle of election was not recognized until 1845 in Bombay and 1847 in Calcutta Act VI of 1845 established a Board of Conservancy in Bombay and empowered the Justices of Peace to elect 5 members. For Calcutta, Act XVI of 1847 set up a Board of 7 Commissioners for the improvement of the city of whom four were to be selected in accordance with a scheme agreed upon by the rate-payers and approved by the Government. In Madras no step towards the recognition of the elective principle was taken at this period. Two Acts XIV and XXV passed in 1856 and applied to all the three presidency towns, prescribed for them a uniform system of administration and defined the functions of civic administration.

But between 1856 and 1858 the elective principle suffered a set-back. Acts were passed which created in each of the three presidency towns a body corporate consisti[illegible] nominated salaried members in whose hands all municipal function were concentrat[illegible] Bomb[illegible] the Justice of Peaces were allowed to retain power to elect representa[illegible]e number was reduced from 5 to 2. Each Presidency Government took advantages of local legislative

independence granted by the Indian Councils Act of 1861 to remodel the system of municipal administration in three presidency towns, but Madras also took power (which was never acted on) to allow election by rate-payers.

The history of municipal Government in urban areas outside the three presidency towns did not begin until the forties of this 19th century. Acts were passed, for Bengal in 1842 (Act X of 1842) and for the whole of British India in 1850 (Act XXVI of 1850) permitting the formation on the application of the inhabitants of local committees to make better provision for purposes connected the public health and convenience and to raise taxes in pursuance of this object. The Bengal Act failed completely. The Act 1850 worked with some success in North West Province and in Bombay. It had no effect in Madras and Bengal.

In Short, between the years 1842 and 1868 a series of legislative enactments were passed for setting up a municipal institutions in moffusil towns. In this first place the inhabitants of municipal areas were given the option of instituting of municipal councils, and later when little advantage had been taken of this, the provincial Governments were empowered to do so of their own motion. During this period, although the principle of election as actually recognized, it was little applied except in the Central provinces. As a measure of local self-government those Acts did not proceed far, but they were of considerable service in improving the sanitary conditions of the towns. By 1870 there were 200 municipalities in Bombay; 44 in Madras; 65 in Bengal; 67 in North West Province; 127 in Punjab and 40 in Central Province.

However, real progress in this field was made only during the time of Lord Mayo, Lord Mayo's Resolution of 1870 made provision for a scheme of local self government. The Resolution declared," Local interest, supervision and care are necessary to success in the management of funds devoted to education, sanitation, medical relief and public works. The operation of this resolution in this full meaning and integrity will afford opportunities for the development of self-government, for strengthening municipal institutions and for the association of natives and Europeans to a greater extent than heretofore in the administration of affairs".

Outside Presidency towns the Resolution was responsible for inclusion of election in the municipal law of Provinces when the system was not already recognised. In Madras power was taken under Act II of 1871 to allow the rate-payers to elect non-official members. In Bombay Act VI of 1873 the elective system, was made permissive in regard to 2/3rds of the body of commissioners in the larger municipalities which were designated. "City Municipalities"- Bengal Act II of 1873 empower the Government to authorise rate-payers to elect municipal commisioners in the larger towns in which the Act of 1864 was in force. Punjab Act of 1873 made election permissive.

Based on the Resolution, a series of Municipal Acts were passed for the various provinces. Though Lord Mayo branded his measure as an attempt to introduce local self-government with the object of associating Indians, it was purely a financial measure. He wanted to relieve the imperial finances from the burden of local expenditure. His Scheme for

the development of local self-government and association of Indians did not yield the desired results. It is significant to note that during the first stage, the British government instituted the systems of local government to give relief to the central exchequer. The British had packed these local bodies with nominated members and thus the local people had very little say in the matter.

The second stage of development begins in 1882 when Lord Ripon, a successor of Lord Mayo, issued the famous resolution of local self-government in 1882. On the 18th May, 1882, Lord Ripon's Government issued then historic resolution of local self-government. The objects of the policy laid down in the resolution were two-fold.

1. It was desired that a local (provincial) government should apply to their financial relations with local bodies under the principle of financial decentralization which Lord Mayo had introduced; and

2. It became necessary to consider what steps were necessary to render local bodies more efficient and better suited to discharge the duties with which it was proposed to entrust them.

But the main object was to make local self-government "an instrument of political and popular education". "It is not primarily with a view to improvement in administration than this measure is put forward and supported. It is chiefly designed as an instrument of political and popular education".

Three broad principles were laid down for the guidance of provincial governments:

a. that they should maintain and extend throughout the country a net work of local government institutions;

b. that they should introduce into these bodies a large preponderance of non-official members the number of official members being not more than 1/3rd of the whole; and

c. they should exercise control over these bodies from without and not from within i.e, they should revise and check their acts rather than dictate to them. The wish was accordingly expressed that, wherever practicable, these bodies should have non-official chairman.

As regards the method of choosing members, Lord Ripon's Government preferred election wherever possible and a variety of system of election to rigid uniformity. It authorised the provincial governments to set up District and Taluk Boards charged with certain duties and entrusted with appropriate funds. The scheme provided great scope for the development of rural self-government. Under the new scheme, the local boards got control over the administration of roads, education, sanitation etc. The powers of the Municipalities were

increased and they looked after sanitation, water supply, primary education etc. Provision was made for the election of the chairman. All these reforms were intended for the extension of local self-government primarily as an instrument of political and popular education.

The main purpose of Ripon's resolution was to train the Indians in the art of self-government and leave local affairs to be managed by local bodies on smooth and efficient lines. The resolution richly deserves to be called the Magna Carta of Local self-government as the scope of scheme was much wider. The resolution was not free from defects. For instance, the official control remained stronger and the Boards and Municipalities were not provided with sufficient funds to carry out their schemes. Inspite of these defects, the resolution was really a landmark in the history of local self-government in India. Ripon is rightly called as the "Father of local self-government". During the period 1880 to 1892 the percentage of elected members rose from 22.5 to 53.1; municipal income raised from Rs.1.28 crores to Rs.2.03 crores while expenditure increased from Rs.1.26 crores to Rs.2.06 crores. These figures register impressive progress. The number of municipalities showed a slight increase from 722 to 739 in this period.

Lord Curzon's Viceroyalty (1899-1904) marked a reverse gear in municipal government policy. His three fold creed was: administrative efficiency, officialization and centralization. "Lord Ripon's ideal was to secure, by slow degrees, autonomy for the India people. Lord Curzon's to secure it for the Indian Government". Lord Curzon in fact believed that Lord Ripon's reform was premature the time, and for more than a quarter of a century was attended in India with only most spare success. He did not believe as Lord Ripon did in educating Indians for local self-government. His policy attenuated further Lord Ripon's policy of 'political and popular education' and buttressed the position of the Deputy Commissioner, of district offices and departmental experts. Illustratively, the number of Municipalities rose from 739 in 1890-91 to 742 in 1900-01 but the percentage of elected members dropped from 53.1 to 50.4 over the same period.

In 1907, a Royal Commission on Decentralization under the chairmanship or Sir Charles Hobhouse was appointed to submit a report on the progress made in the field of local self-government. The Commission submitted its report in 1909. This Royal Commission for the first time put forward a powerful plea for the revival of the village panchayats. Immediate effect was not given to its recommendations. But attempts were made to establish informal village authorities.

The recommendations of this Commission may be grouped under the following heads.

1. Village Organization
2. Rural Boards
3. Municipalities

1. Village Organization

The Commission has recommended:

a) To constitute village panchayats for the administration of certain local affairs within the village.

b) The Panchayat should be a small body of about five members and the headman of the village should be the ex-officio chairman of the village panchayat.

c) The functions of the panchayats must be largely determined by the local circumstances and experience.

d) It should not be concomitant with any new form of local taxation. It should receive a portion of the landless.

e) There is no need to retain artificial local agencies like village unions and sanitary committees.

f) Panchayats should not be placed under the control of District Boards.

2. Rural Boards

a) Sub-District Boards should be established and they should be the principal agencies in rural boards administration.

b) Sub-District Boards should be established for each Taluk.

c) District Boards need not be abolished.

d) Sub-District Boards should have the charge of minor works.

e) Minor works may be entrusted in the hands of the District Boards.

f) The government should plan rural boards on a sound financial footing.

g) Sub District Boards and District Boards should contain a substantial majority of elected members.

h) The Collector should be the President of the District Board and the Tashildar or Sub-divisional officer should be the President of the sub-district board.

i) Rural Boards should have powers to delegate administrative functions to committees.

j) The proceedings of the Sub-District Boards should be in vernacular and those of all rural Board should be published in vernacular.

k) The Commissioner should be able to direct a Board to perform any specific Act or duty imposed on it by law.

i) The right of rural Board works and properties now given to Commissioners and Collectors should remain responsible.

3. Municipalities

a) Municipalities should have the same full powers like the rural boards.

b) They should have full powers in regard to taxation within the limits of the laws under which they work.

c) Government control over municipal borrowing should continue.

d) Municipal councils should ordinarily contain a substantial elective majority, and should usually elect their own chairman.

e) In some of the larger cities it is desirable to entrust the executive administration in the hands of a full time nominated official, apart from the chairman of the municipal council.

f) Municipal councils should be able to delegate any of their administrative functions to committee.

g) The general outside control of the local government and to the Commissioner and Collector, should be of the same character as in the case of rural Boards.

The recommendations of the Commission were not implemented due to the outbreak of the world war in 1914. At the end of the war, in the changed atmosphere, the Government of India issued a resolution which more or less repeated the resolution of the Royal Commission. The following recommendations were in the resolution.

1. It was required that in all Municipal Committees or Rural Boards the elected members should constitute a substantial majority. The principle of nomination was, however to be retained so as to give representation to minorities:

2. It was laid down that the Chairman of local bodies should be elected non-officials.

3. To give a more representative outlook, it recommended the enlargement of the franchise to the maximum extent possible;

4. It recommended the appointment of special executive officer in larger Municipalities and District Boards;

5. The local bodies should have absolute freedom to impose and collect taxes within the limits prescribed by law;

6. The service conditions of the permanent officers of the local boards should be determined by the Indian Government; and

7. The establishment of Panchayats throughout the country.

This resolution brings to a close in 1919 the second stage of development of local government.

The Government of India Act 1919 is a turning point in the field of local government. It established Dyarchy. Under the system of Dyarchy, local self-government came under the "Transferred Subjects". The Governor - in - Council administered the "Reserved Subjects" and the Governor acting with Indian Minister administered the Transferred subjects. The former body was responsible to the Central government and the latter responsible to the provincial legislature. Paucity of funds stood as a stumbling block in the ways of the Minister. The finance department was under the Reserved Subjects. The Minister was forced to depend on it for funds. When large requisitions were made, only fractions were guaranteed. This system continued until the enforcement of the provincial part of the Government of India Act 1935 in 1937. The working of municipal bodies during the period of Dyarchy presents neither a picture of unrelieved failure nor or unqualified success. "In every province, while a few local bodies have discharged their responsibilities with undoubted success and other have been equality conspicuous failures, the bulk lies between these extremes".

Increase of non-official membership and control resulted in quickening of civic consciousness as witnessed in a steady growth of the percentage of voters who cast their votes in contested elections. Illustratively: in Madras, the figure was 58.3% in 1920-21 while in 1925-26 it was over 70%. In North Barrackpore (Bengal) the percentage of voters going to polls, in 1925-26 was 85. The same year in the Punjab general elections were held in 16 municipalities and about 70% of the electorate participated. The psychological faults of the electorates were loyalty to cast rather than conviction and allegiance to caprice rather than reason. On the whole questions of administration played little part in the elections and communal, caste and personal considerations furnished in the majority of cases the motive power which took the elector to the polling booth and deciding the casting of his vote.

The Government of India Act 1935 established Provincial Autonomy. In the light of the new set up, work went ahead to improve the composition and functions of local bodies. In many of the nominated element in local bodies was completely discarded. Under the new set up the Governor was required to carry on the administration on the advice of the ministers. The sweeping powers enjoyed by the Governor, Governor-General and above all the British Parliament made the operation of Provincial Autonomy a veritable farce. So progress was slow in all departments. Inspite of the fact that the Congress, ministers came to power in 1937, no progress was achieved in the field of local self-government due to the resignation of the ministries in 1939 and the out break of World War II. Above all the country was engulfed in the wave of the national movement.

The last stage of evolution begins in 1950 when the Constitution of India came into operation. The Constitution has made local government a State subject and the principle of local government was linked with local development. In order to eradicate poverty, ignorance, illiteracy and disease, the Government of India initiated the Community Development

Programme. In the initial stages it was gradually expanded. This programme aimed at an all round development of rural life. As this programme has failed to achieve the expected result, a Study Team under the leadership of Shri Balwantrarai Mehta was appointed in January 1957, to study the working of the Community Development Projects and the National Extension Service. The Study Team submitted its report in November 1957. The study team has recommended a three -tier system of local government for rural areas: The Village Panchayats at the bottom, the Panchayat Samitis at the block level and the Zilla Parishads at the top. The recommendations were accepted by the National Development Council in the year 1958.

The Government of Rajasthan at once took necessary steps and put the scheme into operation on October 2, 1959, Prime Minister Pandit Jawaharlal Nehru who inaugurated it conferred on it the indigenous name Panchayati raj. A beginning was thus made, and it was followed by Andhra Pradesh, Punjab and other States. The Government of the composite State of Bombay did not accept the entire proposals. It sought to get the whole issue re-examined in the light of its own local conditions. In the meantime, the State was divided into Maharastra and Gujarat. The two States appointed their own committee to study the proposals. The Naik Committee of Maharashtra recommended a directly elected, strong Zilla Parishad and likewise accorded to the panchayat Samiit a secondary role. The Gujarat model sought to work out a compromise between the Balwantrai Mehta Team and the Naik Committee proposals. The two governments accepted their respective reports and put them into operation. Today, the Panchayati Raj system is in operation in almost all the states of India.

Asok Mehta Committee was appointed in 1978 which recommended two tier system of Panchayati Raj. The recommendations of this Committee were ignored or rejected; but only Karnataka Government had implemented the two tier Panchayati Raj - Mandal Panchayat and District level body or Zilla Parishad. The 73rd Amendment to the Constitution have mandated a third level of government with ample powers which came into force on April 23, 1993. It has created three tier system of Panchayats - Village Panchayats, Block Panchayats and District Panchayats. To augment the resource to the Panchayat Raj bodies, there will be a State Finance Commission as Central Finance Commission to share the revenues of state and local bodies, is provided. The State Election Commission is also stressed to conduct the timely local bodies election and provided that the election have to be held within six months from the date of dissolution. The new schedule 11 is inserted in the Constitution which contains 29 items of revenues to the local government. The 74 Amendment to the Constitution is related to the Urban local bodies. The 73rd Amendment is effective one. Almost all the state governments have conducted the local bodies election.

Model question for guidance

Trace the historical development of Local Government in India.

Lesson - 3

Historical Evolution of Panchayats in Tamil Nadu

Panchayats as units of Local Self-Government here been known in Tamil Nadu from ancient times . The Vaikunta Perumal Temple at Uttramerur in Chenglepet district throw a flood of light on the system of Village Government and administration by the assembly, functional committees etc which were prevalent in those days. The system of administration by 'the Sabha' (urban council) with its various committees was still more ancient. The village was divided into twelve hamlets and further down into wards and the residents of each ward elected their representatives through the "pot-ticket" (kudavolai) system. This in modern terminology may be called as the casting of lot.

The inscriptions throw light on the elaborate rules framed for the conduct of elections, qualifications and disqualifications of candidates, maintenance of village records and so on. From these it is clear that village panchayats had their roots in the hoary past and flourished as centres of corporate life and cultural activity in Tamil Nadu. During foreign rule, the panchayats lost their importance and ceased to function as an effective units of civic administration for want of financial resources and effective patronage.

The origin of the District Boards, however, could be traced to the Local Fund Act of 1871 which in itself was the outcome of a desire of the part of the government to provide a sound system of elementary education to the masses. The Collector of the district was the ex-officio President of each Board, within his jurisdiction.

Some of the important functions of the Board were:

(i) The maintenance of public roads and streets.

(ii) Management of hospitals, schools, choultries and markets and

(iii) The training and employment of vaccinators and medical practitioners, sanitary inspectors of towns and villages and any other local works of public utility, calculated to promote the health, comfort and convenience of the people.

As a result of the policy of financial decentralisation, Lord Ripon's Government suggested that Provincial governments should apply the principle of financial decentralisation to, their financial relations with local bodies and as consequence certain principal services like communications, education and sanitation were entrusted to rural boards. The Madras Local Boards Act of 1884 conferred additional responsibilities to Local Boards which were for the first time called District Boards came into existence under this Act, namely District Boards, Taluk Boards and Union Boards. A District Board was constituted for each revenue district and the responsibility of administration of local affairs was invested in it. The Collector

continued to be ex-officio President of the District Board, and the members were to hold office for three years. The Local Boards were empowered to levy with the approval of the government any of the taxes authorised under the Act.

For each Taluk or a group of Taluks, a Taluk Board was constituted, consisting of president and not less than 12 members. The term of office of the members was three years. The revenue of District Boards and the Taluk Boards was derived from land cess, fees for the use of cart stands, markets, slaughter houses etc. Among the main functions were the construction and maintenance of hospitals and dispensaries, education, enforcement of measures of sanitation and public health and the establishment and maintenance of relief works during times of famine and scarcity.

Union Boards were constituted for a single village or groups of villages, each consisting of not less than five persons, the headmen of the constituent villages being ex-officio members. Lighting of public roads, cleaning of roads, drains, wells and other public places, the establishment and maintenance of dispensaries and schools, and the execution of various public health measures were among the duties and responsibilities of the Boards.

The Provincial Legislature passed from time to time a number of Amending Acts with a view to rectifying the defects noticed in the working of the Madras Local Boards Act 1884. The need for a comprehensive law on the subject to give effect to the new policy of the government and to consolidate and amend the law relating to district Boards was felt and the Madras Local Boards Act (Act XIV of 1920) was the result. The Act gave an independent status to each class of local boards and raised their strength.

The Madras Village Panchayats Act, 1920 was also passed with the object of developing a system of self-government in rural areas but this was repealed in 1930 with the passing of the Madras Act XI of 1930 which amended the Madras Local Boards Act 1930 and made in comprehensive so as to include even the panchayats constituted before the repeal of the Madras Village Panchayats Act 1920. Later the Madras village Panchayat Act 1950 removed village Panchayats from the ambit of the Madras Local Boards Act 1920, after which the provision of the later Act which had formerly related to panchayats were restricted to non-panchayat areas. The name of the Madras Local Boards Act was changed to the Madras District Boards Act 1920.

The Planning Commission, which came into being after Independence to formulate a plan for national development, emphasised the need for developing village panchayats as the agency for village planning and development and thus provide the foundation for entire system of national planning. Proposals for the reorganisation of Panchayats were accordingly reviewed in the light of the progress made till then in the implementation of the National Extension Service and other Rural Development schemes and further expansion of these schemes during the Second Five-Year Plan period. In 1950 a detailed white paper on Local Administration was prepared and placed before the Legislature, outlining the conclusions then reached by

the Government on the whole problem touching the various aspects of the subject. These deliberations finally resulted in the Madras District Development Council Bill and the Madras Panchayats Bill 1958 which were passed after a detailed discussion by both the Houses of Legislature, with the active support of all the political parties. The Madras Panchayats Act 1958 came into force immediately.

Under the new set up, today there were 25 Development Districts having 376 Panchayat Unions and one block for Kalrayan Hills in South Arcot District for Scheduled Tribes. There were 12,630 panchayats including 636 Town Panchayats and 13 townships. The area covered by the panchayat Development programme was 1,12,093 square kilometres and the population 321 lakhs. Panchayat at the lower level, Panchayat Union at the middle level and Development Council at the District level was followed from 1960-1996 till the introduction of New Panchayati Raj Act in 1996.

Need of the 73rd Amendment

After Independence, India adopted Parliamentary system of governance. This system is successful in a few societies and failure in few societies. While attributing reason for its failure it is unequivocally lamented that wherever it was evolved and carefully maintained it was successful and wherever it was imposed and maintained casually it was totally a failure. India belongs to the later category. The belief system and the proposition of the administration thinks that the human problems in the society could be solved only by the efforts of the organised machinery in the form of government as mostly people are ignorant and inactive. Indian administrative system effectively worked in a direction given by the political pandits with the thinking that people are poor and they are not in a position to solve their own problems. It is beyond doubt that the government by its institutions provided enormous facilities to the people to make use of them for their development. While taking stock of the situation it is projected that at the macro level India has achieved tremendously and at the micro level the conditions have not been improved excepting the change in attitude towards life among the people. While analysing the reasons for the grim situation in the rural society in India it is argued while projecting an array of reasons that the mass is always kept aloof from the developmental activities. Development of any society could be determined on the basis of the people's understanding of the opportunities and their initiations and activities. It took near about many decades to convince our Indian political minds that peoples' participation in politics and development activities alone bring sustainable development in the society. After considering all possibilities, Indian government has decided to devolve powers to the people and make them more powerful to look after their affairs on their own without looking for the help of the government. Thus, Indian government has moved from big government approach to small government approach. To give shape to the small government or peoples' government 72nd Constitution Amendment Bill had been introduced in the Houses of Parliament and passed it, as 73rd Constitutional Amendment Act. Simultaneously instructions have been given to the State Governments to enact a new Act or modify the old Acts of Panchayati Raj in line with the key provisions of the 73rd Constitutional Amendment Act 5.

Contents and Characteristics of 73rd Amendment Act

After the general elections in 1991, P.V. Narsimha Rao Government picked up the thread initiated by Rajiv Gandhi. But one noticeable feature was that unlike Rajiv Gandhi, Rao has consulted all major political parties in the drafting of the Bill. This is known as 73rd Constitution Amendment Bill, 1991. It was passed by Parliament in December, 1992 and became operative in May 1993, on its ratification by 50 percent of the States. The important contents and characteristics of the 73rd Amendment are, as following:

(i) Structure

(a) Firstly there will be a Gram Sabha in each village. It will be a body consisting of all persons registered as voters in the Panchayat area at village level. The Gram Sabha may exercise such powers and perform such functions as entrusted to it by the State Legislature.

(b) There shall be a three-tier system of Panchayati Raj - village, intermediate and district level in all States except State having population of 20 lakhs, which shall have the option not to have intermediate level bodies.

(c) There shall be direct election to fill all the seats in all three-tiers and States have been empowered to have option for ex-officio persons like chairperson of Panchayat body, M.L.As., M.Ps. and M.L.Cs as ex-officio members.

(d) Panchayats have been given option to have Sarpanch of the village Panchayats to be elected either directly or from amongst the elected members.

(ii) Reservation for SC/ST

The Constitutional Amendment clearly provides for reservation of seats for Scheduled Caste / Scheduled Tribes in Panchayats on the population basis. Further, one-third of the total seats reserved for Scheduled Caste / Scheduled Tribes shall be reserved for women belonging to corresponding reserved seats for Scheduled Caste / Scheduled Tribes.

(iii) Reservation for Women

As per new Act, one-third of the seats are to be reserved for women. Reservation should be made on rotation basis. Similarly not less than one-third of the offices of chairpersons are to be reserved for women.

(iv) Duration of Panchayats

The Act provides for a uniform five-year term for Panchayati Raj Institutions. Thus, there is no provision of any extension of period of five years and elections shall have to be conducted before the expiry of period. Election should be conducted under the supervision of the State Election Commission appointed by State Governor.

(v) Appointment of Finance Commission

According to Article 243 (1) a Finance Commission has to be constituted to review the financial position of the Panchayats and to make recommendations to the government. The recommendations should be submitted to the Governor who shall place it before the State Legislature.

(vi) State Election Commission

According to the Act there shall be a separate State Election Commission to conduct elections to the Panchayati Raj Institutions. The commission will work without any fear or favour for preparation of electoral rolls and conduct elections.

(vii) Powers and Functions

According to Article 243G, the State Legislature may by law, endow the Panchayats with such powers and authority as may be necessary to enable them to functions as institutions of self-government and such law may contain powers and responsibilities for the preparation of plan for economic development and social justice and the implementation of schemes for economic development and social justice, as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule.

As such the 73rd Constitutional Amendment Act is a land mark legislation to revamp the Panchayati Raj Institutions. This Act not only provides Constitutional status to Panchayati Raj Institutions but also vest them with important powers and functions so as to ensure economic development and secure social justice to the people living in rural India. The uniform structure, regular periodic elections under the supervision of State Election Commission and the provision of State Finance Commission to regulate the economic health of the Panchayati Raj Institutions, are significant provisions of the Amendment which shall prove boon for their revival and survival.

Execution of the 73rd Constitutional Amendment

The 73rd Constitutional Amendment was finally implemented in May 1993 after its ratification by 50 per cent of the States of Indian Union. The States were given one year time to enact the new legislation or to modify the old one in the light of the key provisions of the 73rd Amendment Act. Consequent upon the passing of new Acts, almost all State Governments have enacted their own Panchayati Raj legislations. Tamil Nadu Government has ratified this Amendment in 1994 and passed the Act in 1994.

Though the key characteristics of the new Panchayat Raj system are outlined in the 73rd Amendment to the Constitution of India as a framework, the operational part of the new system depends on the Act enacted by the State Government. The State Government have enacted legislations to give operational dimension to the key principles of the 73rd Amendment. Though the structure is the same, functions vary from State to State as the State Government find it difficult to operationalise the provisions of the 11th Schedule to all three-tiers of the Panchayati Raj system. Attempts are made at different levels to earmark responsibilities to all the three-tiers of the Panchayat Raj Institutions from the subjects given in the 11th Schedule.

District Panchayat is only a coordinating agency. It can co-ordinate and supervise the activities of the middle level Panchayats in terms of evolving proposals and implementing programmes and schemes for development. Planning, monitoring and evaluation are entrusted to District Panchayat. Block or middle level Panchayat is entrusted with the responsibility of implementing the schemes and programmes in the whole of the block. Gram Panchayats are entrusted with the responsibility of aggregating the needs and demands of the local populace and plan for the redressal of the needs and grievances of the people. It has to monitor the programmes implemented by the Block Panchayats.

Logically speaking, more number of development programmes and schemes are to be evolved from below but at present more development - schemes and programmes are chalked out at the national level and pushed through the State Government to the grass-roots for implementation. At present one would find more number of overlapping categories of functions allocated to various levels as subjects are such nature that they are to be taken at different levels for different functions and moreover they are the subjects which demand responsibilities on the part of the operators and not of power. Even today scheme are innumerable for the development of the society but they are not known to the people. Absolutely there is no transparency at the level of the government.

The execution of 73rd Constitutional Amendement is a matter of great interest to all concerned. The extent and effectiveness of autonomy - functional and financial devolution, empowerment of the poor and disadvantaged, involvement of Panchayati Raj Institutions in planning and implementation of development programmes are some of the key issues which need critical evaluation as far as the new system is concerned.

The execution of the 73rd Amendment, as such seems to be more in letters than in spirit.

Problems in the Implementation of 73rd Amendment

Seventy-third Amendment to the Constitution of India is a historical step to liberate the people from the clutches of the big government and the total State system,. However, there are some operational maladies which can be outlined as under:

1. A major flaw of the new Act is that it has adopted a uniform three-tier structure without consideration to requirements and socio-historical conditions of the States. Again the Bill had defined the Panchayats as an institution of self-government but narrowed down the functions to development only as per Article 243 (G) and (b). Without policing (law and order) as a function at each level no institution of self-government is worth the name.

2. One-third of seats and offices of the chairpersons in Panchayats have been reserved for women. Some critics say that the provisions will be only for the sake of name and the women will be the Panchayats as proxies to their male counterparts.

3. There is provision that all the reserved seats and offices shall be held in rotation. The problem with this provision is that by the time members of reserved categories acquire necessary skills and knowledge of various developmental programmes, these constituencies are dereserved and as such the skills and knowledge of the representatives cannot be utilised for the benefit of the masses.

4. Further MLAs and MPs have been included as ex-officio members in the block and district level Panchayats. There is no bar on them to contest elections for these bodies. This will lead not only to over centralisation but also it would be detrimental to the emergence of a vibrant local leadership.

5. The constitution of three-tier in the Panchayati Raj Institutions do not reflect the objective of giving organic linkage as there is no corresponding representation in the upper tiers. By breaking organic link, it may paved for intrusion of politics into the Panchayat bodies.

6. Panchayati Raj Act in conformity with the 73rd Amendment are to be enacted by the respective States, who can specify a number of ways to exercise control over the Panchayati Raj Institutions. For example, the provision for dissolution of Panchayats by the government or the provision to remove the president or any member of the Panchayat on the ground of abuse or misuse of power can be permanent threat and it may be misused for political gains. This will also pose a threat to the autonomy and freedom of the Panchayats and the whole system will deteriorate to a subordinate position of the State administration.

7. The Act also provides for the setting up of Standing Committees at all levels of Panchayati Raj Institutions. But these committees cannot work effectively unless the experts are included as members in the Committee.

8. Panchayat bodies can function effectively if the service institutions are brought under them. But if the service institutions are brought under Panchayat bodies and the personnel are controlled by the State Government then it would lead to confusion and irresponsibility.

9. Now the holding of elections for the Panchayati Raj Institutions is a mandatory constitutional requirement. But even then, if any State Government does not honour the provision, there is no specific remedy for it. Again, simultaneous elections to various offices of the Panchayati Raj Institutions can create problems for illiterate voters.

10. The subject mentioned in the 11th Schedule of the Constitution have also been enumerated in the State Panchayati Raj Acts. But at present there are overlapping categories of functions as subjects are of such nature that they are to be taken at different levels for different functions. In addition to Panchayati Raj Institutions, some other agencies are also performing these functions. This overlapping and duplicity is also a major problem in the functioning of the Panchayati Raj Institutions.

11. In spite of the fact that an exhaustive list of subjects has been given in the 11th Schedule and these subjects have also been enumerated in the respective Panchayati Raj Acts of the States but the actual devolution of powers to Panchayati Raj Institutions' over most of the subjects is yet to take place. State Governments are lacking in political will to actually devolve the necessary powers to Panchayati Raj Institutions to carry out their functions effectively.

12. Though provisions have been made for a district level planning process but it is yet to take roots. Needs and aspirations of masses, local resources, skills and technology available locally are not being assessed properly so far.

13. Financial availability of Panchayati Raj Institutions, is an important aspect of the new Panchayati Raj system. Though the 73rd Amendment has created ample scope for resource mobilisation by the Panchayati Raj Institutions yet the outcome of the State Panchayati Raj Acts on the financial front is that the State Governments and their officials enjoy more powers on the local finance than the Panchayati Raj Institutions. State Governments decide the budgets of the Panchayati Raj Institutions and the later cannot levy even local taxes as the range of taxation is decided by the State Government. District and block level Panchayats have either no or very little financial powers. Only the Gram Panchayats are empowered to levy some local taxes and collect certain fees with the approval of the State Government. In the absence of actual devolution of financial powers the financial capacity and viability of Panchayati Raj Institutions is still in doubt.

In consonance with the Constitution 73rd Amendment Act, Tamil Nadu Government has passed the Tamil Nadu Panchayat Act in 1994. New structure of three tier system of Panchayati Raj is emerged. According to this Act, Village Panchayat, Panchayat Union and District Panchayat. The members of these bodies and Chairman were elected directly by the people on October, 1996. The provision of nominated members in this Act was scrapped by the Ordinance of Governor. In the Urban bodies, Municipal Corporation and Municipalities, the provision of electing the Municipal Chairman and Mayor directly by the people is introduced. Funds also, immediately October 19, 1996, sanctioned Rs.70 crores by the State Government towards the creation of infrastructure and for meeting other needs. Each of the 25 district panchayats, is provided with Rs.1 crore, while the panchayat unions are given Rs.10 lakhs each (in little over Rs.38 crores). It has also made a small provision for rural local body which has to manage a population of 10,000 and more. From 1996 onwards, the finance and other deliberative functions are discharged by the local bodies smoothly.

Model question for guidance

What are the functional resources of village panchayats? What are the purposes to which they should be applied?

Lesson - 4

Evolution of Urban Local Self Government in Tamil Nadu

Tamil Nadu, the Madras Presidency earlier, has developed the Local Self Government in a significant manner. The first Municipal Corporation was established in Madraspatnam in 1688. Thereafter the Municipalities have established systematically from 1861 onwards. The panchayats were the last one established afterwards. We will discuss the Urban Local Government in a detail manner.

1. Historical Background of Urban Local Self Government in Tamil Nadu

The Urban Local Self Government has been put on a strong footing now on account of 74th Constitution Amendment Act 1992 and also due to improved ideas of democratic decentralisation which is fastly gathering importance in our Country. The imperatives of 74th Constitution Amendments Act in the sphere of local self Government in the County awakened the political thinking on the principle of democratic decentralisation which have resulted in affording more powers to the Grass root democracy and in order to cope up with the magnitude and problems of urbanisation taking place in the state demanding better and sustainable urban services.

The Municipal administration has a long history in Tamilnadu. The history of Local Self government in urban areas can be grouped into five periods:

1. Pre-1882 Imperial period
2. 1882 to 1919
3. 1919 to 1935
4. 1935 to 1992
5. 1992 to 1997

1.1 Pre-1882 Imperial period

The Municipal Administration in Madras Presidency was commenced by an Act called "Towns Improvement Act". This Act paved way for the system of administration by Councillors who have been empowered to collect taxes for the better provisions for constructing, repairing, cleaning, lighting or watering of any public street, road-drains or tanks for the prevention of nuisances or form improving the towns. These Councillors can frame bye-laws also. The Town Improvement Act, 1866 created Municipalities presided over by the District Magistrates who appointed Vice- Presidents to all the Municipalities lying within his area. Some officials were also made ex-officio Councillors. These bodies could raise funds under the Act, by way of levy of property tax, profession tax, vehicle tax, tolls, license fees etc. The funds were utilised for meeting the expenses for maintaining the law and order as a first charge and the balance amount was utilised for other civic service.

1.2 Period from 1882 to 1919

Viceroy Lord Ripon was pioneer in the promotion of Local Self Government in India. The Enactment of the District Municipalities Act 1884 was the first measure. Each Municipal Council was to have not less than 12 Councillors. Few Councillors were elected by the rate payers. The Chairman was either appointed by the Government or elected by the Council with the permission of the Government. The Chairman was discharging executive functions also. There was increasing awareness of the role of these institutions. During 1907 and 1908, the Royal Commission on Decentralization recommended the classification of Municipalities on population basis, devolution of more power over taxation and budget, measuring the strength of Councillors and also elected proportion of the Council. The Montagu-Chelmsford report, 1918 suggested that, there should be as far as possible, complete popular control in the local bodies and longest possible independence for them from outside control.

1.3 From 1919 to 1935

The Government of India Act 1919 provided for clear demarcation of powers to these bodies. As a consequence of the Government of India Act 1919, the Madras City Municipal Corporation Act 1919 and the Madras District Municipalities Act 1920 were born. These Acts paved way for the performance of various civic functions now in force. These Acts also abolished the system of nomination of Government officials as the Ex-officio councillors. An Amendment Act of 1930 abolished the system of nomination of Councillors and introduced the reservation of seats for the minority community and also for women. The offices of Chairman and Vice-Chairman were made elective. Many Municipalities opted for costly schemes on education, medical relief, road, buildings, etc. which later caused financial difficulties.

1.4 From 1935 to 1992

The Government of India Act 1935 further improved the status of Local Self Government without bringing major changes in the Municipal administration so far as Tamil Nadu (Madras state) is concerned. The Municipalities continued to face financial difficulties. Several Committees set up by the Government suggested certain measures for the improvement of the financial position but they were not implemented fully. After 1920 no major changes were made in the structure of the municipal administration except the constitution of more Municipalities, reclassification of grades and constitution of certain Township Committees and Municipal Corporations upto 1994. Municipal finances were reviewed in Tamil Nadu by different Committees set up to 1980 and submitted reports. The Government of India, during the year 1992, took note of the recommendations of the V.K. Rao Committee (1985) for the devolution of powers to the Local Bodies and the recommendations of L.M., Singhvi Committee (1986) for allotment of adequate resources to the local bodies and the result was a decision to amend the Constitution of India in 1992 by introducing the 73rd & 74th Amendments which paved the way for the present state of affair.

1.5 From 1992 to 1997

In the meanwhile rapid changes took place in respect of rural local bodies, with the launching of number of nation wide rural development schemes. The Government of India felt that the urban local bodies in India have become weak and ineffective on account of variety of reasons including that of absence of elected bodies in the Urban Bodies, lack of resources and inadequate devolution of powers. The Government of India, therefore, wanted that certain basic minimum provisions for these Urban Bodies also like the Rural Bodies should be enshrined in the Constitution, so as to impart certainty, continuity and strength to them. They felt that the incorporation of these urban bodies in the Constitution should

1. Place on firm ground the relationship between the State Government and the Urban Bodies with respect to
   a. The function and taxation powers and,
   b. Arrangements for resource sharing,
2. Ensure elections without breaks,
3. Provide adequate representation for the weaker sections like Scheduled Caste, Scheduled Tribes and women

This gave birth to the 74th Constitution Amendment Act 1992 and consequent to this, the State Government amend all laws relating to the Town Panchayats, Municipalities and Municipal Corporations in 1994 in conformity with the 74th Constitution Amendment Act 1992. Since there were 7 enactments relating to the administration of the Urban Local Bodies, State Government made an effort to enact a common Act namely the Tamil Nadu Urban Local Bodies Act 1998. The salient features of the 74th Constitution Amendment Act are given.

2. 74th Constitution Amendment Act 1992 - an overview.

One of the important aspects of the Act is that it addressed only to the State Legislative Assembly, which consists of people's representatives and the Governor. The Amendment has made revolutionary changes in the social fabric of the nation in bringing the weaker and usually shying sectors of the society to the power front-both politically and administratively - in having given a sizable chunk of power in ruling themselves locally and also affording them a golden opportunity of shaping, training and readjusting themselves gradually to higher echelons of democracy and power both at State level and at National level. The Act contains mandatory provisions for reserving a specific percentage of seats of power for the people belonging to the Scheduled Caste and Scheduled Tribe. It also pulled out women from the normal and usual areas of their movement to the outer world to a great extent of being present prominently among the men folk in the administration and in the local affairs and handle them ably. One third of elected representatives of local bodies are women, which is very high when compared to their scarce or less than nominal representation in public affairs prior to the amendment. Such reservation and population related reservation for Scheduled Caste / Scheduled Tribes people have become a revolution in the social set up at local level in our Country.

The subject of planning, hitherto a subject which was solely the responsibility of the State, has been given to the local bodies making them responsive for planning for their own development without room for blaming the State for not planning for the development of urban areas. Article-243-ZB of the Amendment paves way for the constitution of a "District Planning Committee for every district in respect of rural and urban local bodies and Article - 243 - ZC specifies about the constitution of 'Metropolitan Planning Committee for metropolitan areas declared as such by the Governor of the State. The onus of preparing the plan for the development of rural and urban areas has been placed on the local bodies themselves together with the responsibility of executing their plans as approved by the Government.

A substantial headway has been made in Article - 243 - X of the Constitution Amendment Act enjoining the State to share a portion of the State's revenue to the local bodies based on the recommendations of the State Fiance Commission. Hitherto, the local bodies were depending upon the goodwill of the State Government for the flow of funds from the State. Now the State Government have been made to oblige the local bodies with a specific share of their revenue every year. This is an important land mark in the history of Local bodies.

The 74th Constitution Amendment Act 1992 contains a mixture of mandatory and discretionary provisions carefully embedded, keeping in view the state autonomy. An in-depth study of the Act may reveal that it has as many number of mandatory provisions as it has discretionary provisions for the State Legislature to act according to its concept and assessment of local conditions and attitude, approach and aspirations of the people of the state. The nature of discretionary functions must not be decided based on the word may' attached to the various provisions but to be decided by the nature of content, measures, size etc., Coimbatore City Municipal Corporation was constituted in 1981 and Tiruchirappalli, Tirunelveli and Salem City Corporations were constituted in the year 1994. So there were 6 Municipal Corporations. 104 Municipalities and 636 Town Panchayats totaling to 746 urban local bodies in the year 1996, governed by 7 enactments having few different provisions and many common provisions. It was felt in 1994 that a common law is necessary for all the urban bodies and the efforts finally culminated into the enactment of the Urban Local bodies Act 1998.

The Enactment of the 74th Constitution Amendment Act, 1992 has changed the approach of the State governments all over the Country in being obliged to devolve more and more powers to the local bodies for enabling them to function as real democratic units of self governance, having a body representing all sections of society particularly the weaker section of Scheduled Caste & Scheduled Tribes people and the women. More powers mean more responsibilities involving more expenditure. Hence, more funds have to be flowed into local bodies from the state's income and other sources for which, the 74th Constitution Amendment Act 1992 paved the way.

The common Tamil Nadu Urban local Bodies Act 1998, is different from the existing Municipal laws on many factors, chiefly-having wide, intensive, elaborate functions and powers for coping with the aspiration of the people to a maximum extent. It is really a people's local Government being able to reach their representatives very easily and quickly for setting right

their grievance. The State Government cannot make its present felt in every nook and corner of the State being far away. There are several departments in the Government having different responsibilities. To get them under single command at the local level is not possible. The local body - rural or urban - can be said to be present at each and every place of the area, being nearer to the homes of the people and having their elected representatives at their arm's reach. So it is easily possible to get many things done in the manner of civic amenities. The Urban Local Bodies Act 1998 has given ample opportunities for carrying out many welfare measures needed to the people on day to day basis and to take up other welfare measures and look after them continuously in a sustained manner. In this respect many of the needs and necessities of daily life can be got fulfilled by the local administration relieving the State administration from the ordeals of looking after the daily problems of the people.

Model question for guidance

Explain the features of 74th Constitution Amendment.

Balwantrarai Mehta Committee Report

The Mehta Committee's Report

The Balwantrarai Mehta Study Team in its Report of 1957 laid down proposals for the creation of fresh local bodies on the principle of democratic decentralisation. Its general principle was that the jurisdiction of the proposed local body should be neither so large as to defect the very purpose for which it is created, nor so small as to mititate against efficiency and economy. On the basis of this principle, the Mehta Committee considered the Blocks are, as a suitable unit to carry out functions which the village panchayats cannot perform, and to attract the interest and service of the resident. The Committee proposed the establishment of the local body at the block level called the Panchayat Samiti. It defined its composition, powers and functions of Panchayat Samitis and Zilla Parishads. The Mehta committee recommended a three tier system for decentralisation, namely, the village panchayat, the Panchayat Samiti and the Zilla Parishad.

Village Panchayats

The history of village panchayats in our country goes back to a very ancient period, references to autonomous village assemblies, their composition, powers and methods of working are found in the historical accounts about the Tamils of the Sangam Age, of the Maurya and Gupta Emperors, and of the Chola rulers of South India. They declined and disappeared on account of various reasons, like transfer of their powers and functions to a new set of officers in the British period. After 1920, attempts were made to establish local bodies at the village levels in a systematic manner, although a set of local bodies was established a higher levels namely, district and taluk, even as early as 1884; for example in the province of Madras, a system of self-government was developed in the rural areas under the Madras Village Panchayat Act, 1920. After Independence, the Madras Village Panchayat Act of 1920 was amended. In accordance with the recommendations of a Committee appointed by the Government, Panchayat unions were established at development block level under the Madras Panchayats Act, 1958. The development block was established under the Community development Programme. The development programme under community development covered agriculture, animal husbandry, water supply, school buildings, health, social education including audio, visual aids and women's and children's welfare programmes communications and rural arts, crafts and industries. There were provisions for irrigation and land reclamation. The financial provisions made for the community development blocks constitute the funds which were to be supplemented by voluntary contributions from the public in cash, kind and labour. In order to help the implementation of the scheme, the Government of India prescribed a uniform pattern of block staff.

The three tier system

The first tier of Panchayat administration is the Panchayat which covers both villages and town Panchayats. The second tier is the Samiti or Panchayat Union. The district boards were abolished in Tamil Nadu. The Zilla Parishad or District Development Council forms the top tier. The report on community development and panchayat at development issued by the Rural Development and Local Administration Department shows that Tamilnadu is covered by 12,630 panchayats 636 town panchayats and 12 townships constituted into 374 panchayat unions.

Types of Panchayats

Panchayats are divided into (a) village panchayats, and (b) town panchayats. The panchayat development block is sub-divided into panchayat villages. Town panchayats are constituted in areas where the population is not less than Rs.5,000 and the normal annual panchayat income is not less than Rs.10,000. The village panchayats and town panchayats are the local units of the federal structure of the organisation of panchayat administration, while the panchayat union is at the apex of this organisation.

Village Panchayats

Mehta Committee recommended that the village panchayat should be constituted by direct election on the basis of adult franchise with a special provision to co-opt two women members, and one each from scheduled caste and scheduled tribes wherever they can be presented.

The report has also indicated the specific items of revenue which should be available to the village panchayats. In regard to collection of land revenue the committee's recommendation was that those Panchayats which posses a certain minimum efficiency in administration and development work should be used as an agency for purpose of collection of land revenue on commission basis. It also suggested that the village panchayats should be given a share upto seventy five percent out of the net land revenue assigned to the Panchayat Samiti. The budget of the village panchayat is to be prepared subject to scrutiny and approval of the Panchayat samiti.

The village panchayats have to perform certain obligatory duties, and to act as agents of the Panchayat Samiti for executing schemes entrusted to them. The powers for the Panchayat Unions and panchayats are listed in sections 63, 64 and 65 of the Tamilnadu Panchayats Acts, 1958. The administrative functions are divided between(1) civil, (2) development, (3) land management and (4) land reforms. The civil functions include such tasks as village sanitation, registration of births, death etc., organisation of village watch and ward, constitution, maintenance and lighting of village streets etc.

The functions of the Village Panchayat in relation to development may be set out as follows:-

1. It frames programmes of production in the village;

2. In association with co-operatives, it frames budgets of requirements for supplies and finance for carrying out programmes;

3. It acts as a channel through which an increasing proportion of government assistance reaches the village;

4. It develops common lands, such as wastelands, forests tanks, etc. including measures for soil conservation;

5. It constructs, repairs and maintains common village buildings, public wells, tanks, roads, etc.

6. It organise mutual aid and join effort in all activities

7. It promotes co-operative societies;

8. It organise voluntary labour for community works;

9. It promotes small savings;

10. It improves livestock.

11. It regulates the use of common lands such as waste lands forests, tanks, etc.

12. It cultivates lands set apart for the benefit of the village community.

13. It adapts standards of good management and cultivation to local conditions;

14. It takes up the work of maintenance of land records;

15. It determines the lands to be allotted to owners and tenants on the exercise of rights of resumption for personal cultivation.

16. It determines surplus lands on the application of ceiling on agricultural holdings;

17. It redistributes surplus lands arising from the imposition of ceilings. All these 17 functions are called administrative functions. The judicial functions of the Panchayats are:

    1. administration of civil and criminal justice,

    2. enforcement of minimum wages for agricultural workers and

    3. settlement of simple disputes pertaining to land.

The position of the Panchayat union in relation to Panchayat is explained in the Act. The Panchayat Union is not a supervisory body of the Panchayats; it can supervise the works of the Panchayats only in the capacity of a body that delegates function to the

Panchayats. Generally structural relationship between Panchayat Union and the Panchayats is federal, each being quite autotomous in its own allotted sphere. The Government of Tamil Nadu framed the Panchayat development schematic budget which is a pooling of the finanical provisions of different departments, as well as the local resources which have to be mobilised by Panchayat Unions.

The Panchayat Unions are in charge of implementing the agricultural production programmes, animal husbandry, fisheries, village industries, elementary education, social education, village works programme, water supply and link roads. The Panchayat Union maintain minor irrigation sources and implement agricultural and animal husbandry programmes. They are responsible for the promotion of maternity and child welfare services in their areas. Two-thirds of total expenditure is met by the government as grants-in-aid. The sources of revenue handed over to the Panchayats and panchayat Unions are,

(a) local cess,

(b) stamp duty, surcharge,

(c) entertainment tax

Local cess at a uniform rate of 45 paise in the rupee of land revenue is levied; out of the total cess collected four months is to be credited to the panchayat union education fund. The stamp duty surcharge is levied; at the rate of 5 percent of the value of transaction on immovable property. The entire collection is credited to the Village panchayat is proportion to the land revenue; the panchayat union acts only as a distributing agency. The Government has the power to distribute 90 percent of the proceeds of the entertainment tax collected in a Panchayat Union area between the Panchayat Union and the Panchayats functioning in the area. The Tamilnadu Panchayat Act 1958, makes it obligatory for all Panchayats to levy, within prescribed limits, house tax, professional tax and vehicle tax. The Tamilnadu Local Authorities Finance Act of 1961 empowers the local authorities to levy a surcharge on the entertainment tax upto a maximum of 100 percent of the entertainment tax.

Besides these cesses and taxes a number of statutory and non-statutory grants also from the financial sources of the panchayat Unions and panchayats. Statutory grants are local cess, surcharge, matching grant, land revenue assignment, local roads grants local education grant etc., Non-statutory grants payable by the government to the Panchayat Union are supplementary education grant, school meals grant, grants for maternity centres run by them, grant for increased dearness allowance, village works grant, agricultural production grant local irrigation grant and grant to panchayats. The Revenue Divisional Officer makes the development grants to the Panchayat Union after examining their achievements. He reviews the programmes and is primarily responsible for execution of the development programmes through the panchayat Unions. He sees to it that the proper revenue collection is made and pays the Panchayats their share of the revenue. Yet accounting system of Panchayat Unions is defective through the pattern of the accounts of the panchayat unions is more or less like

that of the municipal councils the examiner of local fund account had detected an increase in the number and nature of financial irregularities in the audit.

State Control over Panchayat Raj bodies

Panchayat unions have to function within certain limitations. Financial adminstration functions within a requisite amount of decentralisation; collector and revenue divisional officers are associated with financial administration. Legislative, executive and judicial controls are exercised over the Panchayat Raj institutions. These institutions have to function in accordance with the rules and regulations framed by the Government. Yet the institutions of Panchayat Raj enjoy considerable degree of autonomy.

Model question for guidance

Discuss the recommendations Balwantrarai Mehta Committee Report.

Lesson - 6

Organisation and Structure of Local Government

Normally, the Local bodies in the Urban areas are Municipal Corporation and Municipalities. In the rural areas, Panchayats are prominent local bodies. Earlier Town Panchayats were treated as Rural but now they are included as Urban. Now we will discuss about Municipal Corporation.

MUNICIPAL CORPORATION

The highly urbanised centres of population have the status of A class or B class cities. The local authority of these cities is usually of the highest category, namely, Municipal Corporation. The Corporation is the highest type of local government unit in India. The number of Corporation in India has increased rapidly in recent years. The Corporations were originally set up by the special Acts of British Parliament. Now at present they are governed by the Acts of State legislatures. In Tamil Nadu, there are 6 Municipal Corporations :

(1) The Madras City Municipal Act, 1919,

(2) The Madurai City Municipal Corporation Act, 1971, likewise 3, 4, 5, 6 Corporations at Coimbatore, Trichy, Tirunelveli, Salem were etablished by State legislature.

The status of the Corporation is higher than the status of the Municipalities. It is because the Corporation can borrow money directly from the public against the issue of their stocks and securities.

Council

The Council is the legislative wing of the Corporation. The Council of the Corporation is composed of Councillors and the Mayor. The term of the Council varies from Corporation to Corporation. For example, in Bangalore it is three years, in Patna and Delhi it is four years, in Uttar Pradesh it is five years and in Madras and Madurai it is five years.

The Councillors of the Corporation are elected directly by the people on the basis of adult suffrage. For the purpose of the election of the Councillors to the council, the Government after consulting the Council divide the city into wards. All the electors of a ward, irrespective of their community or sex, shall be entitled to vote at an election to the seat in that ward. Only one Councillor shall be elected for each ward.

The Council passes bye laws for the good government of the city with regard to those matters which have been assigned to it. It passes the budget which is an estimate of income and expenditure of the Corporations for the financial year. If exercise the power of supervision and control over all branches of municipal administration. It exercises an effective control over the Commissioner and other officials. It can delegate functions to the Commissioner and can ask for proceedings of any committee.

The Council may at any time require Commissioner:

(a) to produce any record, correspondence, plan or other document which is in his possession of under his control as Commissioner.

(b) to furnish any return, plan, estimate, statement, account or statistics connected with the municipal administration.

(c) to furnish a report by himself or to obtain from any head of department subordinate to him and furnish, with his own remarks thereon, a report upon any subject connected with the municipal adminstration.

The Council may at any time call for an extract from the proceedings of a standing committee or of any other committee or for any return, statement, account or report connected with any matter with which such committee is empowered to deal; and every such requisition shall be complied with by such committee. The council has the power to appoint following committees.

Standing Committees

Every standing committee shall consist of five members elected by the Council from among its Councillors by a majority of the Councillors present and Voting. Now, the Chairman of the Committees also elected by the Council.

Subject to the prior approval of the government, the Council shall be regulations framed for the purpose determine the powers and duties of the Standing Committees.

The Council shall sanction such staff as may reasonably be required by each standing committee to discharge its functions.

The Corporation are headed by an elected Mayor. The Mayor is only the nominal head of the Corporation. The general administration of the affairs of the city is entrusted to three authorities namely, (a) the General Council of the Corporation. (b) the Standing Committees of the Council and (c) the Commissioner or Executive Officer. The General Council appoints all the officers of the Corporation except the Commissioner who is usually appointed by the State Government. The standing Committees elected by the Council carry out the main work of the administration. The executive power of the Corporation is vested in the Commissioner who prescribes the duties of the various establishments and supervises their work.

Mayor and Deputy Mayor

Prior to 74th Constitutional Amendment, the Council shall at its first meeting after each ordinary election to the Council and its first meeting in each year and thereafter elect:

(a) One of its members to be the Mayor, and

(b) One of its members other than the Mayor to be the Deputy Mayor.

(c) A Deputy Mayor on being elected as Mayor shall cease to be the Deputy Mayor.

There is no office of Deputy Mayor in Bombay Corporation.

The Madras City Municipal Act, 1919, modified upto 1996 and the Madurai City Municipal Corporation act, 1996, have been amended. According to the amended version, the Mayor and the Deputy Mayor are elected for a term of five years instead of one year. Both of them are not eligible for re-election. The Deputy Mayor may be elected as mayor. The Mayor is directly elected by the people.

Mayor's Convention at Madras Corporation

There is a Mayor's Convention followed in Madras Corporation from 1930. The following are the resolution drafted at the Convention by the Councillors on Nov 3, 1930.

1. That a Convention be established with regard to the Presidentship (Mayorality) of the Corporation, to commence with the election of 1930.

2. That Presidents (Mayors), be elected from various communities in the Corporation in the following order:

1.	Non-Brahmin	Hindu
2.	Brahmin	
3.	Non-Brahmin	Hindu
4.	Christian	
5.	Non-Brahmin	Hindu
6.	Mohammedan	
7.	Non-Brahmin	Hindu
8.	Depressed classes	

3. That, in case there was no candidate available in any of the five communities above mentioned, for any year, the President (Mayor) be elected from the community next in order.

4. That, in case of any casual vacancy, a person belonging to the community of the President (Mayor) who has ceased to be so, be chosen for the unexpired portion of the year.

5. That, sometime prior to the date for the Presidential (Mayoral) election, the President (Mayor) consult the representatives of the community from which, according to the new convention, the new President (Mayor) would be chose that year, as to the candidate or candidates they would wish to put forward; and that if more than one candidate was forth coming, the President (Mayor) may call an informal meeting of the Councillors, at which the candidate for the Presidentship (Mayoralty) be chosen by a ballot.

The convention was an accepted obligation binding upon the members. The credit for this convention goes to Mr. James and Ramasamy Mudaliar. Through this convention, canvassing could be avoided as canvassing was "a soul-killing and body-killing thing", in the best of times. The convention was established as public opinion in Madras was so strong that no man, no party, dare ignore this convention, even if they wanted. It was stated further that in the matter of rotation, the minorities were not properly considered and given due weight to. Some Muslim members complained that they were not duly consulted and also all parties were not properly represented, especially the Muslim community.

It was suggested by a member that 'if the Convention is to be presented by all persons, precautions ought to be taken to see that controversial matters are not introduced by means of the convention'. Convention was to avoid a contested election and the incidental canvassing. Convention must rise above parties and partially in the council. Now the convention is scrapped and the Mayor is directly elected by the people.

Meeting

Every meeting of the council is presided over by the Mayor, in his absence by the Deputy Mayor and in the absence of both the Mayor and Deputy Mayor by a Councillor chosen by the meeting to preside for the occasion.

The Mayor, the Deputy Mayor, as the case may be, presiding at a meeting of the Council shall preserve order and shall decide all points of order and procedure arising at or in connection with meetings. There shall be no discussion on any point of order and the decision of the Mayor or the Deputy Mayor is final.

The Mayor or the Deputy Mayor presiding at a meeting of the Council may direct any Councillor whose conduct is, in his opinion, grossly disorderly to withdraw immediately from the meeting. If such Councillor refuses to withdraw the Mayor or the Deputy Mayor may order his removal by force.

Proceedings of the Council

In the Council Chamber all the members are under the control of the Mayor and his ruling is effective.

A list of business for the day should be prepared by the Mayor in the following order:-

i) Interpolations

ii) Papers to be laid on the table of the House for the first time (No discussion should be allowed on these papers on that day);

iii) Election of Members to Committees;

iv) Matters relating to alienation and other official business brought forward by the Mayor as urgent;

v) Any motion regarding change of order of business;

vi) Reports of Committees appointed;

vii) Proceedings of Committees;

viii) Resolutions;

The order of business for the day may, with the leave of the House, be changed. The Mayor may bring forward any urgent business at any meeting.

The Mayor decides on his own discretion as to who is entitled to speak. All points of order are decided by the Mayor alone, and the Mayor's decision upon a point of order may not be disputed at the meeting at which it is given. If any Councillor desires to dispute the decision, he may bring forward a resolution at the following meeting. But by a later amendment, the Mayor's decision will be considered as final. No discussion on the point or points are raised will be allowed. Any member may, at any-time, raise a point of order for the decision of the Mayor, but in doing so he confines himself solely to stating the point. The Mayor preserves order and he has all powers necessary for the purposes of enforcing his decision on all points of order.

The Mayor decides on the admissibility of a question and disallows any question when, in his opinion, it is an abuse of the right of questioning, or is in contravention of these regulations or on the ground that it cannot be answered consistently with public interest. A question may be asked for the purpose of obtaining information on any matter or fact pertaining to the administration of the city by the Corporation. A matter requiring the decision of the Council is brought forward by means of a question put up by the Mayor. When a question is put to vote the Mayor calls for raising of hands, and the Mayor counts the hands raised for and against, and declares the result. The Mayor calls to order if any member who attempts to speak a second time on the same question. Formal questions are put up by the Mayor without amendment or debate.

Any member may move a resolution relating to a matter concerning the Municipal Government of the city. The Mayor decides on the admissibility of a resolution and disallows any resolution which, in his opinion, contravenes the provisions of the Act or the Rules, and his decision is final. Every resolution which is moved must be seconded; otherwise it is not discussed, or any question be put on it. When a resolution is moved and seconded, the Mayor proposes question thereon to the meeting thus; "The question is that the motion be agreed to". Then, an amendment to a motion will be:

a) either for striking out words or

b) for the Insertion of words or

c) for the removal of certain words and substituting of others in their place or

d) for the addition of words

The Mayor may refuse to put a amendment which, in his opinion, is frivilous.

The Mayor can direct any member, whose conduct, in his opinion is grossly disorderly, to withdraw immediately from the Council, and any member so ordered to withdraw, does so forth with and absents himself during the remainder of the day's meeting. If any member is so directed by the Mayor for a second item, the Mayor may further order the member to absent from meetings of the Council for one month. "The Mayor may, in case of grave disorder arising in the Council, suspend any sitting for a time to be named by him". The Mayor has power to appoint any member of Select Committee as its convener, if no appointment is made by the Council.

When a budget or Supplementary Budget is laid before a meeting, the procedure is as follows: The Mayor reads each item of the abstract of receipts and of expenditure and puts the question, to the meeting: That this item stands part of the Budget. Member may move amendments. The Mayor shall decide the question, as to whether the income or expenditure side of the budget is to be taken up first.

The Mayor's functions are, the maintaining of law and order in the Council, rulings of Council meetings and the administration and controlling Visitors or Press Galleries etc. The power of convening, adjourning, suspending the meetings etc., are vested with him. The conduct of proceedings is determined by him. "The Mayor shall have powers to regulate the conduct of business in the Council in all matters, not provided for in the Act, the Rules or the Regulations". Usually the adjournment motion is moved only with consent of the leaders of all parties in the Council. It is a convention but it cannot have the force of a regulation or rule. The Mayor or the Deputy Mayor presiding at a meeting of the Council, may direct any Councillor whose conduct is, in his opinion, grossly disorderly to withdraw immediately from the meeting. If such Councillor refuses to withdraw the Mayor or the Deputy Mayor may order his removal by force.

The Mayor may resign his office by giving notice in writing to the Council, and the Deputy Mayor may resign his office by giving notice in writing to the Mayor. Such resignation shall take effect in the case of the Mayor from the date on which it is placed before the Council and in the case of the Deputy Mayor, from the date on which it is received by the Mayor. Neither the Mayor nor the Deputy Mayor shall receive or be paid from the funds at the disposal of or under the control of the Corporation any salary or other remuneration for services rendered by him in any capacity whatsoever. Provided that nothing in this section shall apply to the payment or any conveyance allowance or travelling allowance to the Mayor or the Deputy Mayor by the Corporation at such rates as may be prescribed.

The Powers of The Mayor

A small boy when he returned from school and sang a new version of a well known hymn:

"All things bright and beautiful,

All teachers great and small,

All things wise and wonderful,

The Lord Mayor *made them all*".

The teaching to the boy had given him a very impressive lesson on the city's Chief Magistrate and about the powers of the Lord Mayor of London. The first Mayor in England Henry Fitz Alwin, probably assumed office in 1191. The Corporation of Madras was established on September 29, 1688.

1) The Mayor had full power to access all the records of the Corporation and may obtain reports from the Commissioner on any matter connected with the administration of the Corporation.

2) No official correspondence between the Corporation and the State Government transpired except through the mayor.

3) The Mayor was bound to transmit communications addressed through him by the Commissioner to the State Government or vice versa. While transmitting communications from the Commissioner to the State Government, the Mayor could make such remarks as he thought necessary.

4) The Mayor was *ex-officio member of every Standing Committee and of every other* Committee constituted under the Act except the Taxation Appeal Committee.

5) If a vacancy occurred in the office of Chairman or any Standing Committee, the Mayor convened a meeting of that Committee for the election of another Chairman.

Dignitary of Mayoral Office

A Committee was appointed in 1932 by Madras Corporation to decide the dignitorial ornaments and dress etc. to the Chair. The Madras Municipal Council considered most of its recommendations in April 1933 and passed the following resolutions:

a) The Council resolves that *in order to symbolise the impartiality, high* standing and dignity of the Chair, the Mayor shall be free from all party influences or associations.

b) The Mayor being the premier citizen of the city and a respectable person, and above the turmoil of party or group differences in the Corporation, the Council resolved that he should have two sets of gowns of the approved pattern, one for ordinary wear during Council meetings and the other for special and ceremonial

occasions. The ordinary gown consisted of black stuff (silk) with gold lace border, one inch broad and white bands. The special gown was made of a velvet or other similar material with a gold lace border of two inches breadth. The head-dress for the Mayor was of lace turban of the Hindu or Muslim type or a three-cornered hat of black velvet with goldbraid-cloth over it. Lady Mayors can wear the academic hat. The Corporation shall provide a sum of Rs.300/- for the above purposes for every new Mayor. The Mayor may wear Court dress on functions such as leaves, receptions etc., suggested as Corporation public functions and also wear on such occasions, small badge or insignia of office below the collar.

The design of the Mayoral chain too was decided upon. The Corporation provided the Mayor with a gold Mayoral chain with a badge to be won by him on special and ceremonial occasions. The Crest of the Corporation with the words "Mayor of Madras" was engraved in the badge and in the centre of the chain there was a block of the Ripon Buildings embossed with the words "Ripon Buildings, Corporation of Madras". There was a heated discussion over the mace. Some members criticised the origin of mace, which was like the Gadayudam of Bheema, officials of feudal age employed it for the purpose of intimidation etc. Finally mace with the Crest of the Corporation was accepted. A sum not exceeding Rs.2000 was sanctioned for the Mayoral chain and mace. A Jamaadar was appointed to serve as an attendant to the Mayor and he was the Mace-bearer. These privileges available in all the Six Municipal Corporations in Tamil Nadu except Mayoral Chain.

The newly elected Mayors have the privilege of broadcasting their speeches through the All India Radio. Their speeches were always meant to reflect existing momentous problems and clarification of their motives to solve them and a common appeal to the people requesting their co-operation towards the Corporation etc. The Mayors may spontaneously approach the Government to dispose of the pending matters between Government and Corporation. Satyamurti was one such person who used to consult the Government on many occasions.

The recommendations approved by the Council and resolved that:-

1) For all city official, Government and ceremonial functions, where the Mayor is invited in his official capacity he must be given precedence immediately after the Governor.

2) (a) The Mayor must be addressed by the Councilors at the Corporation meetings as "Mr. Mayor".

(b) In the Corporation meetings all usual courtesy rules prevailing in the Legislative Assemblies such as, not crossing the floor, bowing to the Chair when entering and leaving the house etc., to be followed.

3) The Mayor must be invested with all powers of a Justice of peace or its equivalent officer, for the purpose of affording facilities to the public in the matter of attestation of affidavits, pension bills, passports and other documents of like nature.

4) A motor car befitting the position and status of the mayor with the Municipal Crest must be exclusively put at the disposal of the Mayor.

5) The Mayor must be exempted from personal appearance in Courts.

6) The Mayor or in the alternative the Deputy Mayor be an *ex-officio* Visitor to the Jail or the Jails and Hospitals of the city.

7) The Mayor must be referred to as "The worshipful Mayor" in speeches or otherwises.

8) The members of the Corporation Council must be referred to by the Chair and by one another as "Hon'ble members".

Various Relief measures such as Fire Relief, Flood Relief and Poor Rehabilitation etc., were taken in the name of Mayoral office. Common appeal to the people was made by the Mayor and funds were collected which were designated as appropriate various Relief Funds.

Deputy Mayor

Functions of the Deputy Mayor

1) When the office of Mayor is vacant, his functions shall devolve on the Deputy Mayor until a new Mayor is elected.

2) If the Mayor is Continuously absent from city for more than fifteen days or incapacitated, his functions shall devolve on the Deputy Mayor until the Mayor returns to the city or recovers from his incapacity, as the case may be.

3) The Mayor, may, be an order in writing delegate any of his function to the Deputy mayor.

Commissioner

The Commissioner is the chief executive officer of the Corporation. The Commissioner is appointed by the State Government. He is a member of the Indian Administrative or of the State Civil Service. The concept of executive officer was translated into statutory provision in India when the Bombay Municpal Corporation was constituted. Sir Ferozeshah Mehta realised the importance of prescribing the limits of powers of the elected local council. He was on the opinion that the elected council is there to watch and control the executive but not to govern and administer. He considered that the vesting of the executive authority in an elected council would plunge it "into a gulf of mismanagement, inefficiency and jobbery such as the wildest rumours have not dreamed of... The only safe and efficient way of disposing the executive authority is to vest it in a single responsible officer". Professor W.A.Robson regards the appointment of the Commissioner as a "disturbing fact" and observes that the democratic spirit "burns at so low an ebb that the aspiration to govern itself which has inspired every great city since the day of ancient Greece has not been achieved". The appointment of a senior civil servant as the Municipal Commissioner may be due to the following reasons.

(1) to make available to the Corporation the services of and able, experienced and efficient administrator;

(2) to keep this appointment above patronage and party influence; and

(3) to use this institution as a means of state control.

Though the Commissioner is appointed by the government, he is paid out of the municipal fund such salary and allowance as may from time to time be fixed by the government. He is also given accommodation and conveyance facilities. The Commissioner may resign his post or may be transferred by the government The government may, at anytime, withdraw the Commissioner from office and shall do so if such withdrawal is recommended by a resolution of the Council passed at a special meeting called for the purpose and supported by the votes of such number of Councillors as shall constitute not less than two thirds of the sanctioned strength of the Council.

Powers

The powers of the Commissioner may be divided into quasi-legislative, administrative and financial.

QUASI - LEGISLATIVE POWERS : He has the right to attend the meetings of both the Council and the standing committees. Generally, the proposals for bye-laws originate from him.

ADMINISTRATIVE POWERS : In the administrative field the Commissioner has a variety of functions. He is responsible for the execution of bye-law, decisions and orders of the Council. He prescribes the duties and functions of all Corporation officers. He exercises supervision and control over the acts and proceedings of all Corporation officers. He disposes of all question in relating to the conduct, service, pay, allowance, pension and provident fund of the employees. The assessment list is prepared by him. He has the power of making appointments to those posts which are not filled either by the Council or the Standing Committee. The Commissioner has to prepare the annual report which will be considered by the Council. He may dispose of any property not exceeding a certain amount, usually the amount is Rs.500. With respect to the making of contracts, every contract shall be made on behalf of the Corporation by the Commissioner. Contract involving a expenditure not exceeding rupees five thousand shall be made by the Commissioner. The Commissioner is responsible for the custody of all the records of the Corproation. In cases of emergency the Commissioner may direct the execution of any work.

Financial Powers

The Commissioner has to prepare the budget estimates and submit it to the standing committee which has the power of making such changes as it considers necessary. Thereafter the budget is submitted to the Council.

Commissioner's Relationship with the Council and the Standing Committee

The whole range of executive powers is entrusted to the Commissioner. But the Council is authorised to restrict or prescribe the manner of the exercise of such powers. He is the principal point of contact between the executive and deliberative wings of the Corporation. He has the right to attend the Council meetings. The Council can put questions to him which he has to answer. The Commissioner has to submit his report regarding the working of the Corporation. The Council may acquire or dispose of all movable and immovable property. For this purpose the Commissioner acts as the agent of the Council. Contracts beyond a certain amount can be given by the Commissioner only with the sanction of the Council.

The Standing Committee has also power to supervise and control the Commissioner to some extent. The standing committee can delegate some of its functions to the Commissioner. Regarding the sale of property and contracts upto a specified amount the approval of the committee is necessary. The budget prepared by the Commissioner is submitted to the committee. Thus, in practice, the Commissioner exercise" his authority in an atmosphere of answerability which Professor Frederick has characterised as "functional responsibility".

Functions of Municipal Corporations

The Corporations are assigned two types of functions, namely obligatory and discretionary. The Acts of Calcutta, Madras and Madurai do not divide the functions into obligatory and discretionary. But the Acts of Bombay and Delhi did so. Whatever may be the divisions regarding the functions, they are all same in all the Corporations. The most important functions are:

1) the construction, maintenance and clearing of drains, latrines, urinal and similar conveniences;

2) the construction and maintenance of works for providing supply of water for public and private purposes;

3) the scavenging, removal and disposal of filth and rubbish;

4) the construction or purchase, maintenance and conduct of undertakings for electric supply, water supply and transport;

5) the maintenance and regulations of places for the disposal of the dead;

6) registration of births and deaths;

7) prevention of the spread of dangerous diseases;

8) the establishment and maintenance of hospitals, dispensaries and maternity centres;

9) the construction and maintenance of municipal markets and slaughter houses;

10) the naming and numbering of streets and premises;

11) primary education; and

12) the maintenance of municipal office;

13) Establishement of libraries, museums, art galleries, botanical and zoological collections;

14) Public parks, gardens and recreation grounds;

15) Survey of buildings and lands;

16) Registration of marriages;

17) Fire brigade, rest house, poor houses, children's home, shelter for destitutes and asylums for persons of unsound mind, and the supply of milk.

Finance

In order to discharge the above said functions the corporations need money. The money is obtained from the taxes imposed on the inhabitants. There are two types of taxes, namely, the taxes which the corporation must levy and the taxes which the corporation may levy. These taxes are levied, assessed and collected according to the provisions of the Act, and the bye-laws made thereunder. Now let us see the position of taxes of the corporations.

Madurai Corporation

Taxes which it may levy:

a) Property tax;

b) Tax on companies;

c) Profession tax;

d) Tax on carriages and animals;

e) Tax on carts;

f) Tax on advertisement other than advertisements published in the newspapers; and

g) A duty on certain transfers of property in the form of surcharge on stamp duty.

Special tax for a specific period

The city of Madurai resorted to collect tax from pilgrims and the occasions for pilgrimage occur at intervals of years or only once or twice in a single year; a tax on persons leaving the said city or its neighbourhood by railway shall be levied only for specified period in respect of each such occasion. Where occasion for pilgrimage and more frequent or the said city is a place of pilgrimage of perennial reason, the tax may be levied throughout the year.

There are varying rules and procedures in each city for the levy, assessment and collection of these taxes.

The Union or State Government, as the case may be, give grant-in-aid both recurring and non-recurring. Grant-in-aid by the government is a very valuable source of income. When the higher authority grants money it does so with conditions attached to it. The local body would always be dependent on the higher authority for financial assistance. This makes room for state control over the local authorities. Grant may either be reduced or suspending if the conditions attached to the grant are not fulfilled.

Corporations are authorised to borrow money. But they may borrow money for specific purposes such as supply of drinking water etc.

Let us discuss the system of financial adminstration in Madras Corporation

The Madras Corporation is levying all the taxes enumerate in Section 98 of the Madras City Municpal Corporation Act 1919, at the maximum rates prescribed. The taxes so levied are:

1. Property Tax (tax on lands and buildings)
2. Profession Tax.
3. Companies Tax.
4. A Tax on Vehicles and Animals.
5. Timber Tax.
6. Advertisement Tax.
7. Duty on Transfer of Property.
8. Entertainment Tax.

The Property Tax the main source of revenue for the civic body, is levied on all lands and buildings situated in the City, other than those belonging to the Union Government, the tax comprises a tax for general purposes, a water and drainage tax for defraying the expenses connected with the water supply and drainage system of the City, a lighting and education tax. The Property Tax is determined on the basis of the reasonable rental value of premises; in the case of railway or Government building the gross annual rent of which cannot, in the opinion of the Commissioner, be estimated, the annual rental value of the building is deemed to be six per cent of the total estimated market value of the land at the time of the assessment and the estimated cost of erecting the building, deducting a responsible amount for depreciation which is no case shall be less than ten per cent of such cost.

Property Tax is levied half-yearly (April - September, and October-March) as a percentage of the assessed annual rental value of the property. The tax is payable by the property owner within 15 days after the commencement of the half year.

This tax is to be viewed essentially as the property owners' contribution towards defraying the cost of the civic administration and the provision of amenities. In assessing the annual rental value a ten percent rebate is allowed towards maintenance and a further rebate of 25 per cent is allowed in the case of properties occupied by the owners. Assessors inspect the property make assessment proposal.

The procedure followed at present in this regard has come in for a great deal of criticism that it gives room for gross disparties in assessment of similar premises and for a good deal of evasion and corruption. Reliance on the subjective estimates of assessors and the so called rent receipts which do not always reflect the actual state of affairs, is not satisfactory and consequently there is a large leakage in the revenue from this tax which constitutes 70% of the total revenue receipts. A High Power Committee of officials which went into the ways and means position of the Finance of the Corporation has noted that the assessment of property tax at present is not satisfactory and there is scope for revision, whereby the revenue from this tax would increase appreciably.

Next in importance to property tax are the Tax on Professions and that on Companies. Every person who exercises a profession, art or calling, transacts business or holds any appointment, public or private, within the City for not less than 60 days in aggregate in a year; or resides in the city for such a period and exercises any such profession, outside the City and whose salary or income is more than Rs.300/- per mensem, is liable to profession tax. The Committee on the Augmentation of Financial Resources of Local Bodies is of the view that in the existing conditions, this limit is too low and has recommended that the maximum limit should be raised at least to Rs.400/- by amending the relevant Article. It was generally considered that profession tax was an indirect income tax, which is a source of federal revenue. As the States are getting a share in the proceeds of the Income-tax, it would not be necessary to raise the maximum limit of profession tax, in the opinion of the High Power Committee.

The present rates of profession tax were fixed by the City Council in 1958, and the High Power Committee's view that it is not necessary to raise the maximum limit of the tax from Rs.250/- at present is under study.

The other major sources of revenue of the Corporation are the Company Tax, Advertisment Tax and Rents on Municipal Buildings, which are collected directly by the Revenue Department. Any company, which transacts business within the City Municipal limits for not less than 60 days in any half-year, have to pay a half-yearly tax subject to a maximum of Rs.1,000/- Based on the paid up capital of the companies, the rates of this tax range from Rs.30/- to Rs.1,000/- per half-year. In the case of companies, the head or the principal office of which is not in the city, the tax is assessed on the basis of the gross income received in or from the City in the year immediately preceding the year of taxation.

This method of assessment is considered laborious; for it is difficult to ascertain, separately the income derived from within the City alone. It has been suggested that a revised basis of assessment depending on the number of persons employed in the City branch of the Company.

Advertisement Tax is levied on various types of advertisements including;

a) Cloth banners hung and around streets;

b) Hoardings; all posters and non-illuminated sky sings;

c) Poster;

d) Advertisements carried on vehicles;

e) Illuminated advertisements and sky signs;

f) Advertisements exhibited on screens by means of lantern slides;

g) Advertisements exhibited on screens by means of roll films.

The tax is determined on the basis of particulars furnished by advertisers, and slips indicating the periods of the advertisements are pasted on the boards, hoardings etc., while poster are stamped. Licence inspectors are appointed to book cases of non-payment of advertisment tax. Advertisement of notice of a public meeting or of an election or candidate for the Legislature or the Corporation is not taxed.

The Tax on vehicles has been cancelled by the Government and only the Tax on carriage and Animals is retained. Among the other sources of Corporation revenue is a duty on transfer of property. Levied in the form of a surcharge on the duty imposed under the Indian Stamp Act, the rate is five per cent of the amount of consideration on the transfer of all immovable properties. It applies to all instruments of sale, exchange, gift, mortgage with possession of immovable property, situated within the city. The duty is collected by the Inspector General of Registration and paid to the Corporation, after deducting 3 per cent for collection charges. Under Section 137 the State Government makes rules for regulating the collection of this duty.

A tax is levied on Entertainments in the City and is collected by the Commercial Taxes Department of the State Government and the entire proceeds of the tax are made over to the Corporation of Madras with a deduction of 10 per cent towards collection charges. With effect from 1963 a surcharge on entertainment tax and a show tax are also being collected by the Government and the entire proceeds remitted to the Corporation. The Corporation is also collecting rents on municpal buildings and markets, washing places, hutting grounds and tenements, through tax collectors every month. Income is also derived from licence fees levied for certain places and trades at rates prescribed by the Council. The Corporation also derives income from the remunerative enterprises such as markets, slaughter houses, cattle yards and swimming pools.

Apart from tax resources, Grants by the State and Central Government and Income from Public utilities and remunerative enterprises also other sources of Income. As for Grants-in-aid the Corporation receives recurring and non-recurring grants from the government. State or Central, not only towards the cost of the basic civic services like health, education and public works, but also for new services like slum improvement and housing. The State

Government provides grants to the Corporation from time to time towards the payment of increased dearness allowance to the Corporation employees (including teachers) on a par with Government servants. A study of the accounts shows that the tax sources constitute by far the largest portion of the revenues of the civic body, the proportion of this to the total revenues ranging from 72 to 85%, and income from remunerative enterprises is the least. The Corporation has not been able to increase the number of the enterprises or improve them for lack of funds.

The Corporation is not authorised to levy octroi duty and is not likely to be permitted in the future, because the Central Government is considering proposals for the abolition of this much -criticised levy, by arranging for a compensatory source to the local body. Income from land development does not tend to be elastic either. The scope for the Corporation undertaking large profit-making remunerative enterprises is also limited by Statute as explained. Thus the property tax and other taxes continue to be the main source of the corporation revenues. The Property tax is being levied at the maximum rate permissible and the revenue is growing with every quinquennial revision, following increase in urban property values.

It is now for the Government to examine whether the Corporation has reached the target in exploiting all the available sources of tax revenue and consider the problem in all its aspects with a view a comprehensive review and reform of the existing system. As a former Revenue Officer of the Corporation pointed out: "for a number of years the Corporation of Madras has been finding its finances of the Corporation should be augmented sufficiently so that the long-felt and necessary improvements can be carried out atleast in the near future".

Model questions for guidance

1. Bring out the role of Mayor in the Municipal Corporation.
2. Give an account of the powers and functions of the Commissioner and examine his relationship with the Council and the Standing Committee.

Lesson - 7

Municipal Administration in Tamil Nadu

The local bodies are important units of the framework of the government in every state in India. They have become an integral link of national administrative machinery. In the planning on democratic lines which the Five-Year plans envisage, local thinking and local efforts have to stimulated in order to put up a broad planning base for implementation. The development schemes in urban areas fall in the State List II of the Seventh Schedule of the Constitution of India. The State Government may by notification propose any local area to be a municipality, define its limits and include any area in or from any municipality.

In most of the States no statutory criteria for determination of a municipality have been laid down. In west Bengal, Bihar and Orissa population and density have been laid down a s criteria for constitution of a municipality. While in these States and Madras the components of the municipal areas must be continuous or in the immediate neighbour.

In some States Municipalities are classified on one or more of the following basis:

(1) population;

(2) income; and

(3). other relevant factors.

In Punjab, Municipalities are divided into three classes taking all these factors into account. In Madhya Pradesh under the Madhya Pradesh Municipalities Act, 1961, are the following four classes of municipalities, on the basis of population.

(i) Class I Municipalities with population exceeding 50,000;

(ii) Class II Municipalities with population exceeding 20,000 but not exceeding 50,000;

(iii) Class III Municipalties with population exceeding 10,000 not exceeding 20,000 and;

(iv) Class IV Municipalities with population not exceeding 10,000;

In Andhra Pradesh there are five grades of municipalities with reference to their annual income:

(i) Selection Grade Municipalities having income exceeding Rs.10 lakhs with special importance;

(ii) Special Grade Municipalities with income above Rs.10 lakhs;

(iii) Grade I Municipalities having an income above Rs.6 lakhs;

(iv) Grade II Municipalities having an income exceeding Rs.3 lakhs but not exceeding Rs.6 lakhs;

(v) Grade II municipalities having an income of Rs.3 lakhs or below;

Classification of Municipalities in Tamil Nadu

There are 102 municipalities in Tamil Nadu. The municipalities are classified into 5 grades as special grade, selection grade, First Grade, Second Grade and Third Grade. For the purpose of classification, two accounts are considered, 1. Revenue in the public Account. 2. Revenue from all the Accounts. The following are the criteria for classification.

Municipal Grade	Revenue from public Account	Revenue from all Accounts
Special Grade	Rs. 5 lakhs	Rs.75 lakhs
Selection Grade	Rs.25 lakhs	Rs.50 lakhs
First Grade	Rs.10 lakhs	Rs.15 lakhs
Second Grade	Rs. 5 lakhs	Rs. 7 lakhs

The Townships also are classified as,

Townships Grade	Revenue
Selection Grade	Rs.10 lakhs and more
First Grade	Rs. 5 lakhs to 10 lakhs

The following are the status of municipalities in Tamil Nadu.

Special Grade municipalities	-	13
Selection Grade municipalities	-	28
First Grade municipalities	-	36
Second Grade municipalities	-	25
		102

The strength of council members of the municipalities are decided only on the basis of the population. The number of municipal council members is decided in the following manner.

Population	Council Strength
Not exceeding 20,000 persons	16 councillors.
Exceeding 20,000 but not exceeding 30,000 persons	20 councillors.
Exceeding 30,000 but not exceeding 40,000 persons	24 councillors.
Exceeding 40,000 but not exceeding 50,000 persons	28 councillors.
Exceeding 50,000 but not exceeding 1,00,000 persons	32 councillors.
Exceeding 1,00,000 but not exceeding 2,00,000 persons	36 councillors.
Exceeding 2,00,000 but not exceeding 3,00,000 persons	40 councillors.
Exceeding 3,00,000 but not exceeding 4,00,0000 persons	44 councillors.
Exceeding 4,00,000 but not exceeding 5,00,000 persons	42 councillors.
Exceeding 5,00,000	52 councillors.

The Strength of council member in the Madras Corporation is 150 and in Madurai 74. In the municipalities, the following is the strength. They are,

There are 20 municipalties having 20 numbers in the council.

"	22	"	24	"
"	18	"	28	"
"	27	"	32	"
"	12	"	36	"
"	3	"	44	"

Chairman of the Municipality

Each and every municipality has its own chairman. The Chairman was indirectly elected by the council till 1978. Now the Act has been amended to ensure the direct election of the chairman. The only qualification to stand for election is, that the name of a contestant should appear in the electoral rolls relating to the municipality. The chairman enjoys a five year term of office and is eligible for reelection. The chairman is the head of the municipality. He presides over the council meetings. He is by virtue of office a member of the council and of every committee of the council. Like the mayor in the corporation, the municpal chairman also enjoys prerogative powers with regard to access to records of the municipalities and correspondence to the Government as well as from the Government to the Municipalities. By the recent amendment of the Act (1978), Revenue Divisional Officer's power's over the municipalities have been taken away and conferred on the Regional Inspector of Municipalities. Regional Inspector of Municipalities presides over the council meetings specially convened for the allegation or removal of chairman from office.

As a rule seats are reserved for Scheduled Castes and Scheduled Tribes on Municipality. Seats are also reserved for women according to their population. Earlier, in Tamil Nadu two women are co-opted by the council if no woman has been elected; and one woman in other cases. Co-opted women are councillors for all purposes. In Tamil Nadu 1/3 seats are reserved for women.

Elections and Electorates

Direct elections on the basis of universal suffrage is now the uniform pattern of municipal election in India as in U.K., U.S.S.R., and U.S.A., and France. It is now regarded as axiomatic that the right to vote an elector should be neither given not withheld on grounds of privilege and that it should not be given to those who are obviously incapable of exercising it. The system is the irresistable logic of responsible democratic local government. As Mr. Jackson puts it the real case for universal adult franchise is not that it is the best solution but that anything else would be so much worse. In U.K. and U.S.A the minimum age for the right to vote is 18 years. As regards eligibility for election to a municipal council, the minimum age is 18.

Wards

There are either multi-member as U.P and M.P or single-member wards as in Tamil Nadu single - member wards are preferable to multi-member wards as they secure better representation of minority opinion. The ward system has been criticized on the ground that it leads to the view that a member represents his ward and not the city as a whole, and he is apt to contend for the interests of his own constituents as against those of the civic community as a whole.

Term of Office of Councillors

In India the term of office of councils varies from 3 to 6 years; in foreign countries it varies from 2 to 6 years. In U.K. it is 3 years; in U.S.A. it is 2 to 6 years, in U.S.S.R it is 2 years while in France it is 6 years.

A short term enables the change of policy makers if things do not go well; guards against corruption and rash and reckless electoral promises; and ensures more effective and popular control over the council. Its demerits are : it makes impossible to carry through a municipal programme: frequent changes produce discontinuity, disruption in community life and heavy cost in terms of time, energy and public funds, incommensurate with the results. According to Mr. Jackson election always give rise to a certain amount of upset which should be kept to a minimum compatible with popular democratic control. Too long a term tends to undermine democratic control, and engenders stagnation, apathy, inertia and neglect of duty in councillors.

The term of office is 5 years now in Tamil Nadu. The term of a municipality can be extended by the government upto two years. For instance, in Tamil Nadu, elections to the

municipalities were held in April 1969 and the municipalities completed their term of office in 1974. But the government extended their term for two years (i.e.,) upto June 1976. The elections were not, held before the completion of this extended term and therefore the government appointed Special Officers to carry out the functions of the Council and to administer the municipality. Now it is amended that election should be conducted within Six months.

All the members of the Council constitute its general body which discusses and decides all questions of policy and important details of municipal administration. The Council has a great deal of powers in many fields. The most important function of the Council is the making of bye-laws for the good government of the city. Those bye-laws required the approval of the State Government. The Council approves the annual budget of the municipality. The Council also imposes various kinds of taxes. The Council has the power to acquire, hold and dispose property either within or outside the municipal limits. Regarding the contracts the approval of the Council is necessary. The council also enjoys the power of appointment.

Chairman

In India the Presiding officer of a council is elected by the council among their own members. The systems of direct and indirect election of the presiding officer have relative merits and demerits. The case against direct election was summed up.

(a) The Chairman elected by the direct vote has no link with the council and it is not imaginable how he can work without carrying a majority with him;

(b) direct election would not be conductive to smooth and harmonious working of the municipal government. It is likely to create deadlocks between the president and the case for direct election was summed up by Pandit D.P. Misra thus: "The American system of the election of the President of national or local bodies by a general vote has stood the test of time and demonstrated its unquestioned superiority over any other method. This method gives less scope for intrigue and secures better men. This method is specially suitable for Indian conditions where we find that the smaller the area, the greater the intrigue and mischief".

Direct election secures to the president independence from often irksome dependence on the votes of councillors and makes him directly responsible to the citizens but it involves the risks of rifts and deadlocks in the working of the municipal government. It mititates against harmony and homogeneity between the President and the councillors. The Council elects its own Chairman and Deputy Chairman. The head of the municipality is Chairman. His term of office varies form two to five years. In Tamil Nadu, the term of office is Five years. He is directly elected by the people.

The Chairman convenes the Council meetings and presides over it. As the presiding officer he enjoys all the powers. Regarding the power of appointment, the position of the President is different from state to state. For instance, in Tamil Nadu and Bihar, the Chairman / President has the power to make appointments. The President has also the power to

censure, fine, stop promotion, suspend, remove the dismiss any officer or servant except the Executive Officer, Medical Officer, Engineer for valid reasons. The President can also delegate his powers. He can prescribe conditions and improve restrictions on the performance and discharge of any function delegated by him.

Executive Officer / Municipal Commissioner

To carry out the executive work of the municpality an Executive Officer is appointed either by the Council or by the state government. In most of the states the Executive Officer is appointed either from the State Civil Service or from a separate cadre of municpal service. The Executive Officer is appointed by the Council, the appointment has to be approved by the state government. In Tamil Nadu Executive Officers are appointed by the state government.

There is no uniform pattern of powers enjoyed by the exectuive officers of the municipalities. On the one extreme is the pattern similar to that of the Commissioner type of chief executive and on the other is the pattern under which the executive power is shared by the Chairman, the Executive Committee and the Executive Officer. The second pattern is followed in Andhra Pradesh., The diffusion of administrative responsibility as in the second pattern is obviously unfriendly to administrative efficiency. The first one is followed in Tamil Nadu.

As in the Municpal Corproation, the executive powers should be vested in a single authority, namely, the Executive Officer. Secondly, the existing relationship between the deliberative wing and the executive wing in many municipal governments indicates misunderstanding and even conflicts. Therefore, it is suggested that the Municipal Acts should clearly lay down the respective roles of the Council and the administrators. This will end much of the confusion prevailing in the field of municipal administration.

Municipal Functions

There are obligatory and discretionary functions granted by the Statutory provisions of the Municipal Act for the municipalities. The elected representatives are responsible to confine themselves for providing amenities to the people within the limits and sources of the local body. The Acts giving powers to municipalities are of two kinds, namely, control which apply to all the municipalities automatically and adopted; the powers are adopted by a prescribed procedure before a particular municipality can obtain the powers which they are intended to confer.

Generally, the obligatory functions may broadly be grouped under five heads, namely, Public Health, Public Works, Public Safety, Public Convenience and Education. The following functions are the obligatory functions:

1) Construction of public drains, swears, drainage and sewages works and latrines;

2) Scavenging, cleaning and watering of public streets and places;

3) Street regulation, control and regulation of the construction of buildings and streets;

4) Removal of obstruction in public streets and places;

5) Construction and maintenance of public roads; street, lanes culverts, bridges, markets, etc.

6) Water supply, lighting, protection of fire, regulation of offensively trades;

7) Slaughter houses and regulation of slaughter of animals;

8) Licensing of markets and shops;

9) Sanitation and prevention of disease;

10) Receiving information of the outbreak of epidemic disease like cholera, plague and small-pox and taking preventive and combating measures;

11) Vaccination;

12) Cremation grounds and burial grounds;

13) Primary education;

14) Naming of streets and numbering of house;

15) Registration of births and deaths;

16) Parking places for vehicles including taxies and auto rickshaws - provision;

17) Naming and numbering of public places and buildings;

18) Hoardings and advertisements in public and private places - regulation;

19) Civic reception to person of distinction;

20) Organisation of fairs and exhibitions;

The discretionary functions are,

1) Construction of new streets parks, gardens, rest house, bathing ghats, washing places, wells, rescue home for women;

2) Libraries and museums;

3) Education above the primary stage;

4) Census, survey;

5) Exhibitions;

6) Electricity and transport administration.

These lists neither comprehensive nor precise but give a general idea of the very extensive functions which municipalities perform, the amount of good they can do their people and how immediately these functions are the concern of the daily life of the people. Functions of the municipalities differ according to their status and also from state to state according to the nature and character of the urban areas.

The Municipal Council / Commissioner is endowed with power in the following matters.

1. Preparation of economic and development plans every year and to carry out them with approval by the Government.
2. Power to punish / institution who violate any of the provisions made in the act or Rules. The quantum of punishment may go up to a maximum of Rs.10,000 for first time commission of offence and Rs.600/- daily for continuance of offences after first conviction.
3. Power to impose penalties (which mean imposition of fine, sentence of imprisonment or both) in respect of certain kinds of offence.
4. Power to fix fees for various purposes including for manning trades or business, availing of Municipal services.
5. Power to accept appeals in certain cases covered.
6. Power to approve layouts.
7. Power to prosecute persons who cause loss to funds of the Municipality.
8. Power to claim compensation from the persons who cause damage to the property of the Municipality.
9. Commissioner has power to grant licenses for several purposes.
10. Commissioner has power to grant permission for several purposes.
11. Commissioner and his staff have power to enter into any premises for any purpose connected with the Municipal administration.
12. Power to order the removal of any dangerous building/hut or to do the same in case of default.
13. Power to implement schemes of Government entrusted to the extent.
14. Power to regulated the cultivation of any crop within the municipal limit which may harm the residents.
15. Power to order closure of water sources or prohibit the use of water in any water sources.
16. Power to order removal of persons living nearby work site temporarily till the work is completed.
17. Power to order the closure of any infectious buildings.

18. Power to maintain any private park, play ground, play fields etc. in case the owner fails to maintain them properly.

19. Power to plant trees In public places so as to create good environment.

20. Power to maintain any tourist spot of pilgrim centers and collect fees for the vehicles entering into such places.

21. Power to view the progress of all schemes/programs implemented by the Council.

22. Power to constitute Standing Committees which may be delegated with authority to perform or exercise the powers of the Council on matter lying within the purview of the Council.

23. Power to appoint Special or Joint Committees for carrying out the matter entrusted to them by the Council or to conduct any enquiry.

24. Council has power to delegate any of its power to the Chairman, Standing Committees, Ward Committees in respect of matter lying within its purview.

The Powers of the Council and the Commissioner are very large in number and magnitude. Only a selected set of powers have been enumerated above. It can be safely said that the Council or the Commissioner can exercise any powers not forbidden by the Act, if such exercise of power will be beneficial to the public at large or helpful to the administration, of course with the approval of outside authorities, wherever needed.

Exercise of powers in respect of functions devolved on the Council consequent to the effect of 74th Constitution. Amendment Act 1992:- The Government have assumed power in 5.40 (2) of the urban Local Bodies Act 1998 to delegate their powers to the Council in respect of all or any of the following matters:

1. Urban planning including Town Planning.

2. Regulation of land use and construction of buildings.

3. Regulation of slaughter house and tanneries.

4. Planning for economic and social development.

5. Fire services, Urban forestry, protection of environment, and promotion of ecological aspect. Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded

8. Slum improvement and upgradation.

9. Urban poverty alleviation

10. Promotion of cultural, educational and aesthetic aspects.

11. Cattle pounds, prevention of cruelty to animals

The above is not the end of the matter. The Constitution has called upon the State Governments to delegate any of their powers to the urban local bodies so as to enable them to function as a real democratic self-governed institution. So if any Council considers that any power of the Government if exercised by the Council will be beneficial to the public, it can

request the Government to delegate such powers to them. This may give an opportunity to the Government to act upon the problems and take suitable decision. In this connection, it must be pointed out that although the Schedule 12 of the Constitution specifies 18 subjects for devolution of powers to the urban local bodies, the Government have discretion to delegate their powers in respect of other matters also. Out of 18 subjects, the following seven subjects have already been specified in the Urban Local Bodies Act for the attention and action by the Council and hence only other II subjects have been specified in 5.40 (2) of the Act.

1. Roads and bridges (S.No. 4 in the Schedule 12)

2. Water supply for domestic, industrial, and commercial purpose

3. Public health, sanitation, conservancy and solid waste management

4. Provision of urban amenities and facilities such as park, garden, playground. Burials grounds, cremation grounds and electric crematorium Vital, statistics including registration of Births and Deaths.

5. Public amenities including street lighting, parking lots, bus stand and public conveniences.

Municipal Finance

The financial position of the local bodies is low everywhere. The day to day problems create so many liabilities that it becomes imperative and obligatory to perform all functions within the limited sources of the local body finances. The main source of income for the municipalities depends upon allocation of taxes and duties imposed under the statutory provisions of the Act. There is some share in the proceeds of certain taxes with the state government and also the amount in the shape of grants-in-aid for general and special purposes.

There is no provision in the Constitution to make it obligatory for the state government to hand over any particular source of income to the municipal bodies as there is no separate list in the Constitution which falls within the purview of the local authorities. Under the Government of India Act 1919 the Scheduled Taxes Rules provide some taxes to be exclusively utilised or for local bodies. The following taxes were provided for municpal bodies by the Act.

1) Toll,

2) A tax on land or land values,

3) A taxes on buildings,

4) A tax on vehicles,

5) A tax on animals,

6) A tax on materials and domestic servant.

7) A terminal tax on goods imported into a exported from local area where such a tax is first imposed in a local area in which an octroi was not levied on or before 6th July 1917.

8) A tax on trades, professions and calling

9) A tax on private markets,

10) A tax imposed in return for services rendered such as water, lighting, scavenging and fees for the use of markets and other public conservancies.

The above taxes were included in the Provincial List, after the declaration of Provincial Autonomy under the Government of India Act, 1935. In the Constitution of India, as existing at present, the position is more or less the same.

There are two kinds of financial resources at the disposal of the municipal bodies. They are (1) Tax Revenue, and (2) Non-tax Revenue. The tax Revenue consists of the following;

(a) Taxes on property including service taxes.

(b) Taxes on trades and profession.

(c) Taxes on goods and consumption.

(d) Taxes on animals and vehicles (other than motor vehicles)

(e) Other kinds of taxes.

The Council has to pass the taxation proposal. After that it is published for notice to the public in the prescribed form, objections regarding the proposal are invited within 30 days from the date of publication. After the objections are duly considered the Council forwards them to the state government for final decisions. The non-tax revenues comprise government for grants, rents from municipal properties, revenues from municipal utilities undertaking licence and other fees, and fines others. The question of increasing the finances of local bodies by legitimate means has been thoroughly contemplated by the State Government.

Model question for guidance

Describe the system of Municipal Administration in Tamil Nadu.

Lesson - 8

Grama Sabha

Grama Sabha

Grama Sabha existed in almost all parts of the country. This body has been viewed as roots of democracy and an effective tool for the participation and involvement of the people in the democratic process. But strangely enough when the three-tier Panchayati Raj System was introduced in the States during 1959-62, the Grama Sabha did not find place in the statutes of several States. This lacuna was promptly noticed on June 26, 1962 by then Central Ministry of Community Development and Cooperation. It observed, 'The objective of the Panchayati Raj is to establish a participatory democracy so that at the Village level the Grama Sabha, consisting of all adult residents of the Village, should not only deliberate but also participate with the executive, namely, the Grama Panchayat, in planning and implementing the various programmes.

Union Government appointed a Study Team under the Chairmanship of R.R. Diwakar to examine the position of Gram Sabha in the Panchayati Raj Movement. The Study Team submitted its report on March 30, 1963. The Study Team probed the working of Panchayati Raj System in several States and came out with a bold message : 'The Grama Sabha could alone help to create a climate which would secure the essentials of democracy and endow the total Governmental structure of the Village community with a social base'. Nevertheless the cry for constituting and strengthening Grama Sabhas could not gain the favour of the States. Undeterred, the suggestions for constituting and strengthening Grama Sabhas continued to be repeated. The High Level Committee on Panchayati Raj appointed by the Government of Gujarat under the Chairmanship of Zinabhai Darzi in 1972 recognised Grama Sabha as a basic unit of Panchayati Raj Institutions. It suggested and considered that firm action should be taken to give Grama Sabhas more powers to make them more alive, active and effective. Later in 1978, Siddharaj Dhadda in his dissent note to the Ashok Mehta Committee observed that he was strongly of the opinion that the Village must be the base, and the Gram Sabha an integral part of the Panchayati Raj or meeting to review the progress of the projects in the meetings held.

Grama Sabha in Tamil Nadu

The Tamil Nadu Panchayat Act, 1994 has explained the composition and powers of the Grama Sabha. According to this Act there shall be a Grama Sabha for every Village Panchayat consisting of persons registered in the electoral roll relating to the Panchayat Village, comprised within the area of said Village Panchayat. Subject to the general orders of the Government, the Grama Sabha shall meet at least thrice in a year but six months shall not intervene between any two meetings. If the Village Panchayat fails to convene the Grama Sabha, the Inspector shall convene the Grama Sabha.

The Grama Sabha shall,

Approve the Village Plan ;

Approve the Village budget for the year ; and

Review the progress of the implementation of all schemes entrusted to the village Panchayat.

The Government may, by notification, entrust to the Grama Sabha such other functions as may be specified. The Village Panchayat shall give due consideration to the recommendations and suggestions of the Grama Sabha.

The quorum for a meeting of the Grama Sabha shall be one-third of the total number of the members of the Grama Sabha and procedure for convening and conducting such meetings of the Grama Sabha shall be such as may be prescribed. Every meeting of the Grama Sabha shall be presided over by the President and in his absence, by the Vice - President and in the absence of both the President and Vice-President, by a Member chosen by the Members present at the meeting.

In Tamil Nadu, Grama Sabha meetings are conducted regularly on January 26, May1, August 15, October 2. The response of the people is encouraging one. People used to discuss all the problems of the village panchayat as well general problems facing in the villages. The co-operation between the officials and people is maintained in a smooth manner.

Model question for guidance

Discuss the importance of Grama Sabha.

Lesson - 9

Village Panchayat

At the Village level, Village Panchayats have been constituted with adequate powers to carry out development Programmes. Let us explain the composition, powers and functions of the Village Panchayats.

Constitution of Village Panchayats

A Village Panchayat is constituted in a Village or consisting Villages. The minimum population of the village panchayat is not less than 500. The people directly elect the members of the panchayat. The administration of the Village Panchayat shall vest in the Village Panchayat. Every Village panchayat shall be a body corporate by the name of the Panchayat Village shall have perpetual succession and a common seal, and subject to any restriction or qualification imposed by or under this Act or any other law, shall be vested with the capacity of suing or being sued in its corporate name, of acquiring, holding and transferring property, movable or immovable, of entering into contracts, and of doing all things necessary, proper or expedient for the purposes for which it is constituted.

Strength of a Village Panchayat

The total number of Members of a Village Panchayat is fixed according to the population.

Duration of Village Panchayat

Every Village Panchayat unless sooner dissolved, shall continue for five years from the date appointed for its first meeting after each ordinary election and no longer. Where a Village Panchayat is dissolved before the expiration of the said period of five years, election to constitute such Village Panchayat shall be completed in accordance with the provisions of Section 214 as soon as may be, and in any case before the expiration of a period of six months from the date of such dissolution : Provided that where a Village Panchayat is dissolved, within six months before the expiration of said period of five years, it shall not be necessary to hold any election to such Village Panchayat.

Election of Members of Village Panchayat

The Members of the Village Panchayat are directly elected by the people prescribed.

Provided that no person shall be eligible to be elected as a Member of more than one Village Panchayat.

Division of Panchayat Village into wards

For the purpose of election of Members to a Village Panchayat, the Panchayat Village is divided into wards.

Terms of Office of Members

The term of office of the Members of every Village Panchayat who are elected at ordinary elections, normally for five years from the date appointed for the first meeting of such Village Panchayat after ordinary election.

Number of Village Panchayats According to their Population

The number of Village Panchayats according to the Population is provided as below :

1. Number of Villages having less than 1000 population is 1317
2. Number of Villages having population between 1001-2000 is 7629
3. Number of Villages having population between 2001-5000 is 2473
4. Number of Villages having population between 5001-7000 is 821
5. Number of Villages having population between 7001-10,000 is 292
6. Number of Villages having population above 10,000 is 87
7. Total Number of Villages is 12619.

The number of Village Panchayats according to their population shows that there are more number of Villages having population between 1001-2000 and less number of Villages having more than 10,000 population. It is also clear from the data furnished above that there are Village Panchayats having population from less than 1000 to more than 10,000. Therefore, it is difficult to establish uniformity in the establishment of Village Panchayats.

Functions of Village Panchayat

It is the duty of Village Panchayat, within the limits of its funds, to make reasonable provision for carrying out the requirements of the Panchayat Village in respect of the following matters, namely :

(a) The construction, repair and maintenance of all Village roads, that is to say, all public roads in the Village (other than those classified as National Highways, State Highways, major District roads and Panchayat Union roads) and of all bridges, culverts. Road-dams and causeways on such roads.

(b) The lighting of public roads and public places in built-up areas;

(c) The construction of drains and the disposal of drainage water and sullage not including sewerage;

(d) The cleaning of streets, the removal of rubbish heaps, jungle-growth and pickly-ear, the filling in of disused wells, insanitary ponds, pools, ditches, pits or hollows and other improvements of the sanitary condition of the Village;

(e) The provision of public latrines and arrangements to cleanse latrines whether public or private;

(f) The opening and maintenance of burial and burning grounds;

(g) The sinking and repairing of wells, the excavation, repair and maintenance of ponds or tanks and the construction and maintenance of water-works for the supply of water for washing and bathing purposes; and

(h) Such other duties as the Government may, by notification, impose.

Power of Village Panchayat to provide for certain other matters

Subject to the provisions of this Act and the rules made thereunder a Village Panchayat may also make such provisions as it thinks fit for carrying out the requirements of the Village in respect of the following matters, namely:

(a) The planting and preservation of trees on the sides of all public roads in the Village subject to mutually agreed terms and conditions between the Village Panchayat and the authority which maintains the road in case the road is not maintained by the Village Panchayat itself;

(b) The lighting of public roads and public places in areas other than built-up areas;

(c) The opening and maintenance of public markets other than markets which are classified as Panchayat Union markets;

(d) The control of fairs and festivals other than those classified as Panchayat Union fairs and festivals;

(e) The opening and maintenance of public landing places, halting places and cart-stands and of public cattle-sheds;

(f) The opening and maintenance of public slaughter-houses;

(g) The opening and maintenance of reading rooms;

(h) The establishment and maintenance of wireless receiving sets, playgrounds, parks, sports clubs and centres of physical culture;

(i) The opening and maintenance of literacy centres and centres for imparting social education; and

(j) The construction of works of public utility and the provisions of other facilities for the safety, health, comfort, convenience, culture or recreation of the inhabitants of the Village:

Powers and Functions of Panchayats

It has been left upon the States to endow the Panchayats with such powers and authority may be necessary to enable them to function as institution of Self Government. But the Central Act casts a duty upon the States that the devolution of powers and responsibilities to panchayats may contain provisions in respect to :

(a) The preparation of plans for economic development and social justice; and

(b) The implementation of schemes for economics development and social justice as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule.

There are two kinds of Panchayats namely Village and Town Panchayats on the basis of income and population. The Administration is the same for both. Now the Government has ordered (14.06.04) to abolish Town Panchayats in Tamil Nadu and downgraded into Panchayats.

Model question for guidance

Discuss the organisation of Panchayat in Tamil Nadu.

Lesson - 10

Panchayat Unions in Tamil Nadu

Constitution

In Tamil Nadu every local area forming a Development block for the purpose of national Extension Service Scheme of Community Development has been constituted into a Panchayat Union. The average extent of a Panchayat Union is about 115 sq. miles, with an average population of 73,000. A Panchayat Union Council is set up as the governing body for each panchayat Union. Thus there are at present 374 Panchayat Union Councils in the State.

Panchayat Union at the Intermediate Level

Panchayat at the Intermediate level is called Panchayat Union Council. Let us explain the composition powers and functions of the Panchayat Union in Tamil Nadu.

Composition and strength of panchayat Union Council in Tamil Nadu

The Panchayat Union, consisted of the elected Members ; They are directly elected by the people. The Members of the House of People and the Members of the State Legislative Assembly representing constituencies which comprise wholly or partly of the Panchayat Union; The Members of the Council of States who are registered as electors within the Panchayat Union; Presidents of Village Panchayat by the people also members in the Panchayat Union.

Duration of Panchayat Union Council

Every Panchayat Union Council unless sooner dissolved shall continue for five years from the date appointed for the first meeting after each ordinary election and no longer. Provided that where a Panchayat Union Council is dissolved within six months before the expiration of the said period of five years it shall not be necessary to hold any election to such Panchayat Union Council.

Election of Members of Panchayat Union Council

The Members of a Panchayat Union Council shall are elected from the wards in the Panchayat Union. One Member for every five thousand population of the Panchayat Union area is prescribed. No person shall be eligible to be elected under the Act as a Member of more than one Panchayat Union Council.

Reservation of Seats

Seats are reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes in Panchayat Union Council. Seats shall be reserved for women belonging to the Scheduled castes and the Scheduled Tribes from among the seats reserved for the persons belonging to the Scheduled Castes the Scheduled Tribes.

Seats are reserved for women in the Panchayat Union Council and the number of seats reserved for women shall not be less than one-third (including the number of seats reserved for women belonging to the Scheduled Castes and Scheduled Tribes) of the total number of seats in the Panchayat Union Council :

Division of Panchayat Union into wards

For the purpose of electilon to the Panchayat Union Council, Panchayat Union areas divided into wards and one member from each ward is elected by the people.

Term of office of Members

Except as otherwise provided in this Act, Members of the Panchayat Union Council elected at an ordinary election, shall hold office for a term of five years.

The term of office of the Members elected at an ordinary election shall commence on the date appointed for the first meeting of the Panchayat Union Council after ordinary election.

The Member of a Panchayat Union Council elected in a casual vacancy, shall enter upon office forth with but shall hold office only so long as the Member in whose place he is elected would have been entitled to hold office if the vacancy had not occurred.

Duty of Panchayat Union Council to provide for certain matters

Subject to the provisions of this Act and the rules made thereunder, it shall be the duty of a Panchayat Union Council, within the limits of its funds to make reasonable provision for carrying out the Panchayat Union Council functions are as follows, namely :

(a) The construction, repair and maintenance of all public roads in the Panchayat Union which are classified as Panchayat Union roads and of all bridges, culverts, road-dams and cause ways on such roads;

(b) The establishment and maintenance of dispensaries and the payments of subsides to rural medical practitioners;

(c) The estblishment and maintenance of maternity and child welfare centres, including the maintenance of a thai service and offering advice and assistance to mothers in family planning;

(d) The contruction and maintenance of poor houses, orphanages, shops, stalls, plinths, the training and employment of vaccinators, the removal of congesion of population and the provision of house-sites.

(e) The opening and maintenance and expansion or improvement of elementary schools, including the payment of grants to private managements in respect of elementary schools;

(f) Preventive and remedial measures connected with any epidemic or with malaria;

(g) The control of fairs and festivals classified by the Panchayat Union Council as those reserved for control by it;

(h) Veterinary relief;

(i) The extension of Village -sites and the regulation of building;

(j) The opening and maintenance of public markets which are classified as Panchayat Union markets;

(k) The maintenance of statistics relating to births and deaths;

(l) The establishment and maintenance of choultries;

(m) Improvement of agriculture, agricultural stock and the holding of agricultural shows;

(n) The promotion and encouragement of cottage industries ; and

(o) Such other duties as the Government may, by notification, impose.

Entrustment of execution of National Extension Service Scheme of Community Development to Panchayat Union Councils

The Government shall as soon as may be after the Constitution of a Panchayat Union Council for a Panchayat Development Block under this Act entrust to the Panchayat Union Council subject to such conditions and restrictions as may be specified by the Government, the execution in the Panchayat Development Block of the National Extension Service Scheme of Community Development; including in particular, all measures relating to the development of agriculture, animal husbandry and Village industries organised on an individual or co-operative basis.

Entrustment of certain schemes to Panchayat Union Councils

The Government may, subject to such conditions and restrictions as may be specified, entrust all or any of the schemes, programmes and activities for economic development, whether such schemes, programmes and activities are to be executed or implemented either by the Government or by any statutory body or other agency to the Panchayat Union Council for its execution or implementation. The Panchayat Union Council may, if so notified by the Government, review the schemes, programmes and other activities executed by the Government or by any statutory body or other agency within the Panchayat Union.

Power of Panchayat Union Council to provide for certain other matters

Subject to the provisions of this Act and the rules made thereunder, Panchayat Union Council may, within the limits of its funds, make such provision as it thinks fir for carrying out

the requirements of the Panchayat Union in respect of measures of public utility calculated to promote the safety, health, comfort or convenience of the inhabitants of the Panchayat Union:

Common burial and burning grounds, etc.

Subject to the provisions of this Act and the rules made thereunder, two or more Village Panchayats:

(i) May construct and maintain water - works for supply of water for washing and bathing purposes from a common, source and may also provide a common burial and burning ground; and

(ii) May entrust to the Panchayat Union Council with its consent and on such terms as may be agreed upon, the management of any institution or the execution or maintenance of any work.

Lighting of public roads and public places

The Government may, by general or special order, direct any Village Panchayats or Panchayat Union Council to provide for the lighting of public roads and public places within its jurisdiction and it shall be the duty of the Village Panchayat or Panchayat Union Council to provide for such light:

Provided that where such a direction is given, the Government shall make such provision for the cost of lighting as they may consider reasonable and the decision of the Government shall be final.

Maintenance of common dispensaries, child welfare centres, etc

Subject to the provisions of this Act and the rules made thereunder, two or more Panchayats Union Councils may establish and maintain common dispensaries, child welfare centres, and institutions of such other kind as may be prescribed.

Transfer of immovable property, management of institution, execution or maintenance of works, etc., to a Village Panchayats.

The Panchayat Union Councils may, subject to such control as may be prescribed, by notification declare that any immovable property vested in itself shall vest in any Village Panchayat in the same Panchayat Union and such property shall, from the date specified in the said notificaiton, vest accordingly.

Subject to such rules as may be prescribed, the Government, Commissioner of Land Administration, the Collector or Revenue Divisional Officer, the District Panchayat, the Panchayat Union Council or the Chief Executive Officer, the Commissioner, or any person or body of persons, may transfer to the Village Panchayat, with its consent and subject to such conditions as may be agreed upon, the management of any institution or the execution or maintenance of any work, or the exercise of any power or the discharge of any duty, whether within or without the Village, and whether provided for in this Act or not.

Transfer to Village Panchayat of unreserved forests

All unreserved forest in the Village at the commencement of this Act shall vest in the Village Panchayat and be administered by it for the benefit of such Village.

In respect of every forest so vested, the Village Panchayat shall, if so required by the Collector, pay to the Government such rent as the Collector may, from time to time, subject to the control of the Commissioner of Land Adminstration, fix in the behalf.

If the Revenue Divisional Officer is of opinilon that a Village Panchayat is not administering properly a forest vested in it, he may by order, withdraw such forest form the control of the Village Panchayat for such period as may be specified in the order, not exceeding the period, if any, prescribed in this behalf. He may in respect of such forest direct that it be vested in the Panchayat Union Council and be administered by it.

The Revenue Divisional Officer may, from time to time, by order, extend the period specified in any order issued, subject to the period prescribed in this behalf.

Sources of Income

The main source of income of the Panchayat Union Council are part of the local cess collected in the Development Blocks the entire local excess surcharge collected, the local cess surcharge, matching grant paid by the Government, land revenue assignment, the local roads grant, local education grant, and surcharge on entertainment and show tax.

Supervision and Control

The Government exercises control over Panchayat Union Councils through the Director of Rural Development and the Collectors of the districts. The audit of the accounts of the Panchayat Unions is done by the Local Fund Audit staff of the Government under the Examiner of Local Fund Accounts.

The Block (Panchayat Unions) is the unit of planning and development and the various activities relating to panchayat development are fully reflected only at this level. The receipts and expenditure in respect of the village panchayats also pass through the accounts of the Panchayat Union.

And the execution of Community Development programme has been statutorily entrusted to Panchayat Unions.

Model question for guidance

Briefly explain the functions of Panchayat Union.

Lesson - 11

District Panchayat

District Development Council is the earlier district level body

The Constitution and Functions of the District Development Council: A District Development Council was formed for each of the Development Districts as a permanent advisory body with the respective District collector as Chairman. The Council consists of the chairmen of all panchayat unions, all MLAs, and MPs of the district, chairmen of municipal council co-operative central banks and the Gazetted officers of the Government in the district concerned with planning and execution of development schemes. There is no provision for the co-option of any person as member of the Council, where there is a more than one Development Council in a district the District Collector is the ex-officio chairman of both the District Development Council in the district.

The Council's function is to advise the Government on all matters relating to the development schemes undertaken by all the local authorities in the district as well as those agencies in the district which are under the administrative control of the government in certain departments of the government. It has five statutory committees for advising on the following subjects:

i. Food and Agriculture,

ii. Industries and Labour,

iii. Public works,

iv. Education, and

v. Health and welfare including Prohibition.

Power is given to the Council in addition to Standing Committee for other purposes as it things fit. It addition, a Standing Committee called the general committee to deal with items of work which are general in nature covering all the aspects of development has also been constituted with the Collector as its chairman and the chairmen of the five standing committees are members.

The District Development Council shall meet as often as necessary provided that not more than three months shall elapse between two meetings of the Council. Under the New Panchayat Act, District Panchayats were established in the place of District Development Council.

District Panchayat

District Panchayat in each District of Tamil Nadu has been created for the implementation of dvelopmental programmes at the District level. Let us explain the composition powers and functions of the District Panchayat as per the Tamil Nadu Panchayat Act, 1994.

Composition of the District Panchayat

The District Panchayat consisted of the elected Members by the people. The Members of the House of People and the Members of the State Legislative Assembly representing a part or whole of the District whose constituencies lie within the District; The Member of the Council of States who is registered as elector within the District; Chairmen of Panchayat Union Councils chosen; The number of Chairmen to be elected to the District Panchayat shall be one fifth of the total number of elected Members.

The Members of the House of People, the State Legislative Assembly, Council of States and the chairmen of Panchayat Union Councils shall be entitled to take part in the proceedings, and vote at the meeting of the District Panchayat.

Formation and incorporation of District Panchayat

The Government may, by notification, constitute for each District with effect from such date as may be prescribed in the said notification, a District Panchayat having jurisdiction over the entire District excluding such portions of the District as are included in a Municipality or Town Panchayat or Industrial Township or under the authority of a Local Corporation or a Cantonment.

Every District Panchayat shall be a body corporate by the name of the District, shall hae perpetual succession and a common seal and subject to such restrictions as are imposed by or under this or any other enactment, shall be vested with the capacity of suing or being sued in its corporate name, of acquiring, holding and transferring property, movable or immovable, whether without or within the limits of the area over which it has authority, of entering into contracts and of doing all things, necessary, proper or expedient for the purpose for which it is constituted.

Functions of District Panchayat

The District Panchayat shall advise the Government on all matters concerning the activities of Village Panchayats, Panchayat Union Councils in the District as well as on all matters relating to the development of the economic resources of the District and the services maintained there in for promoting the culture and welfare of the inhabitants of the District. In particular, it shall be the duty of the District Panchayat to perform the following functions, namely:

Advising the Government on all matters relating to the services maintained by and all development schemes undertaken by all Village Panchayats and Panchayat Union Councils in the District as well as those agencies in the District, which are under the administrative control of the Government.

Watching the progress of the measures undertaken by the Government, Village Panchayats, Panchayat Union Councils and departmental agencies in respect of the services and development schemes aforesaid;

Advising the Government on matters concerning the implementation of any provision of law or any order specifically referred to by the Government to the District Panchayat such as

Classification of markets as Village Panchayat markets and Panchayat Union markets and fixing rates of contribution payable by one authority to the other,

Classification of fairs and festivals as Village Panchayat fairs, Village Panchayat festivals and Panchayat Union fairs and Panchayat Union festivals;

Classifcation of public roads (other than roads classified by the Government as National Highways, State Highways and major District roads) as Panchayat Union roads and Panchayat Village roads;

Advising the Government on all matters relating to development of road transport.

General Powers of District Panchayat

For the purpose of efficiently performing its functions under this Act, every District Panchayat may, within the limits of its jurisdiction:

(1) Undertake such measures as it deems necessary;

(2) Collect such data as it deems necessary;

(3) Publish statistics or other information relating to the various aspects of the regulation or development of the activities of Panchayat Union Councils and Village Panchayats in the District;

(4) Require any Panchayat Union Council or Village Panchayat to furnish such information as may be required by it in relation to the measures undertaken by that Panchayat Union Council or Village Panchayat for the regulation or development of its activities and such other matters as may be prescribed.

Annual Report of District Panchayat

The District Panchayat shall prepare in such form and at such time each year as may be prescribed, an annual report giving a true and full account of its activities during the previous year and copies there of shall be forwarded to the Government.

The Government shall lay on the table of the Legislative Assembly all such Reports together with comments thereon.

Returns and Reports of District Panchayat

Every District Panchayat shall furnish to the Government such returns, reports, statistics and other informations with respect to its activities as the Government may from time to time require.

Model question for guidance

Describe the functions of the District Panchayat.

Lesson - 12

Community Development Programme

The Constitution of India proclaimed its objective of achieving liberty, equality, fraternity and justice-social, economic and political. The Constitution laid down the foundations of a Welfare State in India. The Government of India realised the importance of economic and social planning for achieving a better standard of living for the citizens. But no scheme of economic planning can be a success if the community is not alive to the requirements of the new changes. To create an active interest among the rural population of India in national schemes of economic planning and social reconstruction the programme of community development was started. The concept of rural development is not new in India. Many prominent leaders as well as voluntary organisation were associated with this work, in some form of others, even before Independence. Out of the pooled experience of these sporadic efforts came the Community Development Programme as an internal parts of the First Five Year Plan. The year 1951 marked the beginning of the process of planned development in India. The programme was inaugurated on October 2nd, 1952. Initially, 55 blocks were selected. Each block covered about 300 village communities. By October, 1963 the programme, though gradual stages, had expanded to cover the entire length and breadth of rural India. Today the whole of rural India is covered by a net-work of 5265 community development blocks.

In the words of P.R. Dubhashi, "Community Development combined with national Extension Service have heralded the dawn of a silent revolution in the countryside". The movement had the blessings of Pandit Jawaharlal Nehru, who felt that "nothing had happened in any country in the world during the last few years that is so big in content and so revolutionary in design as the community projects in India".

Basic Principles

The basic principles of Community Development in India are:

1. a programme which is multipurpose and comprehensive touching all aspects of social, economic life of the village;
2. a method of community mobilisation through energisation of people's institutions, Voluntary organisation and functional groups;
3. an agency which extends supplies, services, finance and technical know-how to the very door of farmer.
4. it symbolises an approach to rural development which is integrated and co-ordinated and not fragmented; and
5. it is a process of equation through extension methods and not through coercive devices.

They may not be perfect fulfillment of all these at any particular point of time, but these have been the basic principle and essential features which have characterised Community Development Movement in India in the past years.

Objectives

The purpose of the Community Development Programme as officially declared by our government is, "the purpose of Community Projects shall be to serve as a pilot in the establishment for the men, women and children covered by the project areas, of the right to live, food, the principal item is the wherewithal for this purpose - receiving the primary emphasis in the initial stages of the Programme". B. Mukherji has described Community Development as a process of change from the traditional way of living of rural communities to progressive way of living.

As a method by which people can be assisted to develop themselves on their own capacity and resources. As a programme for accomplishing certain activities in fields concerning the welfare of the rural people; and as a movement for progress with a certain ideological content. The ideology of the Community Development Porgramme is that is to people's programme with government participation and not a government programme with people's participation.

In the words of Shri. V.T. Krishnamachari, the objectives of the Community Development Programme and National Extension Service Programmes are:

(1) Leading rural population from chronic under-employment to full employment;

(2) Leading rural population from chronic agricultural underproduction to full production by application of scientific knowledge;

(3) The largest possible extension of the principles of corporation by making rural families creditworthy; and

(4) Increased community effort for work of benefit to the community as a whole, such as village roads, tanks, wells, schools, community centres, children's parks etc.

Thus, the main objectives of the Community Development are an all - round development of the rural people. It is a multipurpose programme with several dimensions extending the social, economic and cultural fields.

The Community Development Programme necessitates the creation of new administrative units for rural development. Thus the Community Development Blocks were created. Each Block was under the charge of an administrator known as Block Development Officer. Each Block had a number of extension Officers in diverse fields of rural development such as Agriculture, Animal Husbandry, Public Health, Education etc. The Block Development Officer had to co-ordinate the work of the extension officers. As the demand for the programme grew, a network of National Extension Services for rural development, was created.

Though the Community Development Programme was started to create an active interest among the rural population of India, it failed to bring rural people within the orbit of planning and they could not be made a willing party to plan implementation at the village level. To seek the co-operation of the village people, Block Advisory Committees were established. The Block Advisory Committee was later on redesignated as the Block Development Committee. But this system could not activate the people very much. The people were to be actively associated with the formulation and implementation of the community development programme if it were to be fulfilled. In January 1957, a Study Team on Community Development and National Extension Service was appointed to review the working of the Community Development programme. The team was headed by Shri Balwantrarai Mehta. The team suggested that a programme which involved the day-to-day life of the people could only be implemented by them. This team submitted its report in November, 1957 and suggested the establishment of Panchayati Raj or the scheme of 'democratic decentralisation' as referred by the team.

The three-tier structure, namely, the Panchayati Raj, recommended by Shri Balwantrarai Mehta Study Team has been entrusted with the responsibility of accomplishing the Community Development programmes. All the three bodies Panchayats, Panchayati Samitis and Zilla Parishads have to draw up plans for their respective areas for effective implementation of Community Development Programmes. The entrusting of development functions to the panchayat Raj institutions is to make the community development programmes a people's movement wherein the government and the civil service only act as midwives, the initiative coming from the people. In other words it has the objection of deofficialising the movement enriching it with people's participation and active initiative at the vairous levels of the ruralities, "Panchayat Raj is, therefore , the means and Community Development, not the end".

Community Development Administration

State Level

The implementation of Community Development Programme is the responsibility of the state governments. Generally, each state has a single authority for the implementation of both the extension schemes and community projects.

For the purpose of co-ordination there may be two or three Committees at the state level. The committees are:

a) Inter-departmental committee of officers,
b) An Advisory committee of officials and non-officials; and
c) A Development committee of the cabinet.

The Development Commissioner presides over the inter departmental committee. The other two committees are presided over by the Chief Minister. Besides these committees, there is also one consultative committee of the State Legislature for Community Development.

District Level

At the district level, the Zilla Parishad is responsible for the implementation of the programme of the Community Development. Generally, the Presidents of all the Panchayati Samitis at the block levels and the M.Ps, M.L.As of the district are the members of the Zilla parishad. District Collector plays the role of co-ordinator. The composition, powers and functions of the Zilla parishad and the position of the Collector are different from State to State.

Block Level

At the block level the Panchayati Samitis are responsible for the implementation of the programme of the Community Development. The samiti includes elected Presidents of the village Panchayats and a few co-opted persons representing women and depressed and scheduled classes. There are the Block Development Officer and extension Officers to carry out the administrative work.

Village Level

At the village level the panchayat is in overall control of the community development programme and is helped by associated organisations. The multipurpose village level worker or Gram Sewak, as he is called, is the last link in the administrative chain. He has ten villages in his charge.

Department of Community Development

A separate Ministry of Community Development was established in September 1956. In March 1958, the Ministry took over from the Ministry of health, the work relating to village panchayats. In December 1958, the subject 'co-operation was transferred from the Ministry of Food and Agriculture of the Ministry of Community Development which was accordingly redesignated as the Ministry of Community Development and Co-operation. At the same time, the Ministry was organised into Departments namely, Department of community development and Co-operation.

In April. 1962, the name of the Ministry was changed to Ministry of Community Development, Panchayati Raj and Co-operation. After a short period it was redesignated as the Ministry of Community Development and Co-operation. In January, 1966, the Ministry of Community Development and Co-operation was merged with the Ministry, Ministry of Food and Agriculture from the Ministry of Food, Agriculture, community Development and Cooperation.

The Department of Community Development has four important divisions namely, 'The Administrative Division, the Programme Division, The Training Division and the Administrative intelligence Division. The Department has subordinate officers, but as such there is no advisory body to assist the Department.

There is Central Committee consisting of the members of the Planning Commission and the Ministers of Food and Agriculture and Community Development and Co-operation. The Committee is headed by the Prime Minister, Basic policy matters are referred to this committee. This committees, functions both as co-ordinating committee as well as policy making committee for the community Development Programme.

Appraisal of Community Development Programme

The appraisal of the programme shows that there was an upward trend of growth in various fields such as distribution of improved seeds, chemical fertilizers and chemical pesticides etc.

The Third Five Year Plan period shows that for the country as a whole, out of the total approved plan outlay of Rs.287.57 crores. Rs.273.82 crores will have been spent at the end of the Third Five Year Plan period. The Tribal Development Blocks established till the end of the Third Plan cover areas where the tribal population accounts for 66% of the total populations.

The aim under the Local Development Works Programme during the Third Plan Period has been to provides simple sources of drinking water supply in the villages. During this Plan period, 3,556 miles of rural market roads were constructed or improved. The Applied Nutrition Programme was taken up for implementation in 1962-63 with the assistance of UNICEF, FAO and WHO . The progamme aimed at increased production at the village of various nutritive food, an the training and equation of the villages in the production, preparation and consumption of these foods was to cover 222 selected blocks in the country during the Thrid Plan period. To encourage further growth of industries in a rural areas was one of the objectives of the Thrid Plan. In addition to the traditional Khadi and village industries which have continued to expand, 175 rural and semi-urban industrial estates and 1152 common facilities workshops had been established. These programmes and developmental schemes are implemented under Community Development Programmes till to-day.

In Tamilnadu the programme underwent a change with the introduction of the Tamil nadu Panchayats Act of 1958. A community development block was organised for each panchayat union in the State, and the panchayat Union performs not only the civic functions but also acts as the agent of the State Government in the implementation of the development schemes at the block level.

Under the Block Development Officer there is a team of extension officers working under him who establish contact with the people in the villages and familiarise them with the latest ideas and practices in agriculture, animal husbandry, cottage industries and so on. To secure the co-operation of the local people an advisory body was constituted for each block consisting of the members of Parliament and of the legislature living in the locality and a few other leading citizens nominated by the Government. However this system was reviewed by the Balwantrarai Mehta committee on plan projects and on its recommendation these bodies were scrapped. Later further controversies led to the appointment of Santhanam Committee on certain aspects of Panchayati Raj functioning, like finance and elections.

The Administrative Reforms Commission in its report on panchayat Development Administration has recommended that there is no need for a major overhaul of block boundaries and the Government has accepted the recommendation and issued orders accordingly. However, wherever there is needed for bifurcation of unwieldy blocks each case will be considered on merits.

To sum up Community Development Programme has been essentially a human development programme; at the same time it has promoted scientific outlook on life among rural people. It has contributed to rural India's economic, political and social development. It has also provided the extension agencies and the local organisations necessary for local development. As Professor W. Arthur Lewis has put it, "Popular enthusiasm is at once the petrol of economic development and the lubricating oil for planning".

Model question for guidance

Examine the objective and activities of the Community development Programmes.

Lesson - 13

Political Parties and Local Government

Historical Retrospect

Political parties in India invaded the civic scene for the first time during the Non-Cooperation Movement led by Mahatma Gandhi. Illustratively : In U.P. the general municipal elections of 1922 were fought on political lines because the Swarajists made a bid to capture the municipalities. In 1923 the non-cooperators secured success in municipal elections. In 1925, however, the elections turned largely on communal and personal lines. In Bengal the Swarajists captured the majority of seats in the Calcutta elections of 1923, and are reported "to have established a dictatorship of which the main feature is described as the subordination of civic administration to political and party ends".

In recent years political parties, national, state level, have entered into municipal Government inspite of the fairly widespread opinion that politics should not enter into local Government affairs. While the political parties have invaded the local scene and Elections are run on party lines and the usual party discipline is applied to the members by their political organization.

It is believed that the play of party politics in local affairs has on the whole an adverse impact on civic Government and administration. Its keynote is the subordination of interests of municipal administration to the party ends. It has a most delirious effect on financial management and personnel administration. The rank and file of municipal employees are drawn into the vortex of party politics with the result the morale and efficiency suffer.

The Indian Constitution establishes adult franchise not only for national and state elections, but also for elections to local bodies. This means that all those persons who are inhabitants of the locality have the right to vote and also the right to be elected irrespective of the considerations of riches, caste, creed or sex provided they are not minors. The elections to local bodies are also on party lines but party politics is on a reduced scale.

The role of political parties in Local Administration is a crucial issue. The local bodies have to organise voters, select and set up candidates, run election campaign, etc. The local bodies need political parties to conduct direct election on the basis of adult franchise.

There are several issues relating to local bodies which continue to be controversial. There is no likelihood of any consensus being arrived at in regard to them. One such issue is the role of political parties in Local Administration. Mr. Jayaprakash Narayan and several others belonging to Sarvodaya School advocated partyless democracy at all levels of Government and it is not surprising that they wanted to eliminate parties completely from the field of Panchayat Raj as well. There are others who find nothing wrong in political parties being active in the functioning of local democracy. It is their view that parties alone supply the dynamism required to make democracy work at the lower as well as at the highest levels.

They also argue that it is not possible to eliminate them from the field of local government if they are permitted to function in the field of state and Union Governments. Governments at all levels are closely linked together. A controversy like this has been carried on in Western Countries also and the view generally held by Western scholars is that there is nothing of a seriously harmful character arising out of the role of parties in local government.

Thus there are two sharply opposed schools of opinion on this matter. The Sarvodaya School is opposed altogether to political parties. They would like to rebuild Indian democracy on the basis of the Gram Samaj at the bottom and upon tiers at the samiti, District, State and all India levels, each level being constituted by indirect elections from the lower tier. They believe that by this method, the principle of consensus, if not unanimity, will prevail in all levels of administration and all the evils of electioneering and party politics which they consider to be inescapable from any system of parliamentary democracy will be eliminated. No one can deny that this line of reasoning has a fine moral appeal, population are illiterate and ignorant, the desire to save them from becoming pawns in the contest for power by political parties is an end which should be welcomed by all disinterested people.

Supporters of parliamentary democracy reject this view on the ground that it is visionary and will lead to some form of totalitarianism. They feel that parliamentary democracy based on organised political parties and direct elections is the only and certain means of effective democratic government.

The supporters of party politics argue that so long as elections to the parliament and state legislatures are fought on party lines and the Central and State Governments are ruled by political parties, it is not possible to exclude party influence from the local institutions like Panchayat Raj institutions. These institution may be mainly administrative bodies. But they are also centres of power and influence and those who man these bodies will have a considerable pull in the elections to the State Assembly and Parliament. On account of this fact, they hold that no political party can afford to ignore these institutions except at its own peril. They also believe that active participation by political parties in Panchayat Raj institutions will prove to be a powerful solvent of all the traditional barrier of caste, community and religion which are still strongly entrenched in our rural areas. It would appear that there is no meeting point between these two schools of opinion.

It may also be pointed out, that before the advent of independence and after, there have been proposals for political parties not to contest municipal elections. Occasionally, all the parties have held aloof from such elections. There have also been cases where particular parties for tactcial reasons have abstained from such contests, even though other parties did not do so. But these resolutions to abstain have not been kept for any length of time.

There is, however, the hopeful fact that all political parties have, so far, generally abstained from direct participation in the primary elections to Panchayats. They have done so for tacital reasons and in their own-self-interest. In the village where it is difficult to put across party

programmes relating to national and State politics, it is not advantageous to any party to divide the people hardly for and against itself. In any case, with small wards of 100 to 500 voters, locally prominent men are bound to succeed in many wards. These persons are not likely to gain much by adopting party labels. Therefore, all political parties have generally left the primary panchayat elections alone and tried to enroll the elected members of the panchayat in their party. There have undoubtedly been exception to this rule. In some of the Panchayat elections in Tamil Nadu, there have been straight struggle, between the Congress and the Communist parties. Still, the fact that in Andhra Pradesh 45 percent of the Panchayat had unanimous elections and in Tamil Nadu 36.3 percent of the Panchayat members elected were unopposed does indicate that local factors prevail to a considerable extent.

Any idea of putting any kind of legal ban on the political parties against trying to influence the Panchayat elections may frankly be ruled out. So long as Panchayat Raj institutions have any real power and wield any influence among the people by the exercise of such power, there is bound to be a struggle among the political parties, directly or indirectly to put their own men in positions of power in these bodies.

The use of party symbols in Panchayat elections is not permitted in any state except in Kerala and even there, such symbols have not, in fact been issued so far. While political party influence cannot be legally banned, it is wrong and unnecessary to encourage their entry into the village by the provision of party symbols. No official recognition, should be accorded to political parties at the village Panchayat level, but in Tamil Nadu, official recognition has given to political parties at the panchayat Union and District Panchayat Elections.

It has been a general experience that the Chairmanship of the panchayat Samiti (except in Maharashtra) has become one of the most coveted posts in public life. It follows, therefore, that political parties have been anxious to get their party men as Chairman. But a larger number of members of the village panchayats are not committed to any political party and there should be no surprise that when the Chairmen are chosen by an electoral college consisting of members of panchayats many of them will be elected more for their personal merits than for party allegiance. The president of the parishad will also be elected like the Chairman of the Samiti.

Mere official non-recognition of political parties in the form of refusal of party symbols and party representations will not amount to the exclusion of party politics which is ardently desired by the idealists. At the same time, it will help to some degree, to arrest the division of Panchayats, Samitis and parishads into sharply opposed political groups. This is of great importance because these executive bodies are not harmonious and disciplined cabinets formed out of a majority party in a bigger assembly. They are necessarily composed of person of differing views. If rigid stratifications of groups on political lines are allowed to be formed in these bodies and the members are not free to decide each question on merits, these institutions will cease to be effective. In the case of Maharastra, where direct elections to the Zilla Parishads are held, they re run on party basis and the candidates are issued party symbols.

H.C. Mathur, who later become a member of the Administrative Reforms Commission of India, while accepting that the panchayat Samitis and Zilla parishads may function on party lines because it would be difficult to keep politics out of these bodies, pleads that the panchayats atleast should not be drawn into the whirlpool of politics.

Sadiq Ali, Parikh, Pardyal Singh and Diwarkar Committees emphasised the need to keep the political party away from village panchayats with the hope that it would be in the interests of village uplift and development. But none of these committees suggested a ban on the participation of political parties in panchayat raj elections. Santhanam Committee explicitly recommended that there should be legal provision against influencing panchayat raj elections by political parties. The Sadiq Ali Committee left the question of devising a code of conduct concerning panchayat elections to the political parties themselves. The Diwarkar Committee hoped that the political parties would refrain from nominating candidates for panchayats and allotting party symbols for different contestants in the panchayat elections. The Sadiq Ali and Santhanam Committees recommended that political parties should not be recognised for the purpose of panchayat elections.

At a camp of the members of Parliament belonging to different political parties in June, 1962, there was a consensus that though it was desirable, it may not be possible to keep the party politics out of the panchayat raj institutions. Hence the need to establish healthy conventions was emphasised. Elections to these bodies should be conducted by an independent body similar to the Election Commission. There was also a consensus on the desirability of direct elections to panchayat samitis and Zilla Parishads. These have been materialised after the 73rd Constitutional Amendment.

The National Integration Council which also met in June, 1962 could not arrive at a consensus. It was generally felt that the exclusion of political parties from panchayats was a good out not a practicable idea. The Ashok Mehta committee also endorsed the entry of political parties in the local bodies election.

Advantages in running local bodies on party lines

There are many advantages in running Local Governments on party lines. They are the following:

(i) Political parties put up programmes and policies before the people much before the election. It helps the voter to choose a particular programme and he votes for the candidate of the party. In the absence of political parties, the individual cannot place any programme before the people. Thus the voters will not be able to elect persons to support a particular policy such as nationalisation of the city transport.

(ii) In this complex society individuals make their voice effective if they are organised. Only through an organisation their demand can be effective.

(iii) People belonging to the same political party will have more or less similar views. This makes possible for a party to work as a team. It removes friction and so smooth

working of local government is possible. This is conducive to efficiency and economy. Party discipline is such that a person has to vote and carry out its decisions even if the issues involved may be very unacceptable to him. This is not true with regard to independent candidates. In the absence of political parties, a person may be elected because he is devoted to public cause or is very popular as a landlord or businessman but there is no guarantee that he will stick to a particular policy, or he can be compelled to do so. He can change his views after the election.

Merits and Demerits of Party in Local Government

The question of party politics in Local government is a debatable one. Its merits and demerits are summed up below.

Merits

(1) Parties arouse interest in elections by organizing the electorate and stimulating it to a realization of its public duty. They crystallize issues for popular judgement

(2) Party organization in local government brings greater coherence and definiteness into policy of the local body. Where parties are well-organized and disciplined it is possible to get a decision more quickly than where there is no such organization.

(3) Democracy cannot live without parties; and parties cannot live in the stratosphere.

(4) Speaking about the American experience, Dr. Beard says that, "non-partisanship has not worked, does not work, and will not work in any major city in the United States".

(5) The party system produced an integrated policy for the local areas as a whole embracing all fields of the municipal council's activity and ensures that the policy so integrated is pursued vigorously.

(6) It irons out the friction of personalities by a party discipline which subordinates personal ambitions and frictions to the interests of the dominant group.

(7) A good well-organized party can by a potent incentive towards clean and efficient local government.

(8) That elections to local bodies and their working should be on a non-party basis is a counsel of perfection not achieved in practice in any city of importance. Parties are unavoidable.

Disadvantages in running local bodies on party lines

Party politics in local governments has also been criticised on the following grounds:

(i) The political parties at national level are formed on national and international issues such as nationalisation of banks or having a treaty of friendship with United States of America, but the problems of local government are quite different. So, if election takes place on party tickets, it is of not much significance.

(ii) Unlike the national or state government, there is no question of forming the ministry in the local authority. Therefore, political parties do not have much value in local government. The local council is not only the legislative wing, but also the executive. In fact, it is more concerned with the administration of local affairs and administration as we know, in order to be effective and economical, should be divorced from politics.

(iii) In India significance of political parties is further reduced because in most of the local councils independents are elected in much larger number than persons on party tickets. Moreover, in India, at the local level, party unity is very loose, and other considerations such as caste, religion and personal loyalties, are more dominant.

(iv) Party discipline limits the freedom of members, the real power tends to drift into the hands of the few leading politicans and there is possibility that the party organisation instead of the elective civic body, may become the real governing body.,

(v) Party politics are unnecessary in local government. The main lines of policy are laid down by statutes and in many services by the State Government. Much of the work, also consists of detailed administration of services where political principles do not arise.

(vi) The party faction does considerable harm to civic well-being by other disposition to interfere in local affairs.

(vii) Political parties at the local level often degenerate into political machines using public offices of trust for party gain - political patronage, and other similar evils.

To conclude, much can be said for and against party politics in local government. Political parties in local government are not an unmixed blessings. However, even if elections take place on party lines for the local councils, in a number of constituencies, it does not mean that all issues will be decided on the basis of party politics. The working of local government in India indicates that most of the issues are decided on their own merit. Political consideration are insignificant in the running of local governments. "Anyway, it is difficult to eliminate party politics completely from the field of local government. However, local elections on party lines serve as training ground for state and national elections, but it does not necessarily mean that the local government is run with sole consideration of party objectives.

People should take active interest in the affairs of local bodies. The following methods are suggested for securing active participation and cooperation of citizens in the day to day working of local bodies in India.

(1) Frequent meetings may be organized in each unit of local bodies. The local councillors (city fathers) can have informal contacts with the electors, hear their grievances and take prompt action to redress their grievances.

(2) The people should be addressed by the councillors as frequently as possible in the fundamental rules of civic conduct, the necessity for sanitation, respect for authority, the need for their help and cooperation in making the management of local affairs a success.

(3) Periodical exhibitions by lantern slides, documentary films, poster etc. Showing an ideal town and impressing upon the people how they should lay primary emphasis on the performance of civic duties rather than for fighting for personal gain.

(4) For this purpose the cooperation of non-political voluntary agencies may be utilised.

(5) A net-work of information centres should be established in the State for dissemination of information on questions relating to local Government.

(6) Local or inter-local arrangements should be made for delivery of lectures, addresses and the discussions on such questions and the display of books, cinema, films on models or the holding of exhibition on such questions should be organized frequently.

(7) Each civic body should publish regularly an annual report in an attractive design from the angle of the citizen interest with graphic illustrations,. indicating outstanding achievements as well as failures of civil administration during the year.

(8) The office bearers and head of departments of the civic body should fix up regular hours daily for the citizens to interview them on matters of civic interest.

(9) Local Government magazines should be published in regional languages as media of civic education and publicity.

(10) Civics and citizenship should be made part of the school curricula.

Model question for guidance

Analyse the role of political parties in local Government.

Lesson - 14

Elections

Elections and Electoral process in the Local Bodies

There is a widely prevalent idea that elections are the source of party strife which mar the working of local bodies. They are also said to create unnecessary excitement, lead to much wasteful expenditure and corruption. To eliminate evils like these many people advocate unanimity in the elections of local bodies. There are others who vehemently oppose this on various grounds. Elections cease to have any meaning if the electorate is not given the opportunity to choose the representatives, Contested Elections are the most important instruments through which people can exercise control in a democracy over those who govern them. Uncontested elections are a characteristic of totalitarianism and they will lead to the perpetual retention of power by the old ruling groups in rural areas.

Therefore, powerful local bodies like Panchayat Samiti, Zilla Parishad and Municipality must elect the components directly. In those bodies the elected components should preponderate over the ex-officio and co-opted elements. The ex-officio model recommended by the Balwantrarai Mehta Team only for Zilla parishads with no executive owners, had been adopted by many states in respect of both the Panchayat Samiti and Zilla Parishad levels.

In an entirely ex-officio model which was followed in the Zilla Parishad, sufficient regard would not be shown for the link between 'powers' and 'elective basis'. This could well have been justified to minimise electoral strife. But it must be pointed out that the system could work to the disadvantaged of weaker sections. In local areas ownership of land is a major source of socio-economic and political power. Generally speaking, dominant sections alone can become ex-officio members of the district. This situation must be avoided by suggesting a predominantly directly elected component in the District.

There are additional reasons for contemplating direct elections. It is pointed out that the influence of local factions and parochial considerations would be greater in the case of direct elections. Indirect elections afford scope for 'people with means and position to influence the course of elections by dubious means, bordering on malpractices'. Direct elections, on the other hand, give a sense of participation to the general public in the formation of their institutions. The leadership thrown up by them would be more responsive. It would command better respect among the people.

Elections in the local bodies

Grama Panchayat

The gram panchayat is the first tier of the panchayat raj system. Gram panchayats are functioning in all the states except Meghalaya, Nagaland, and Sikkim. The size of the gram

panchayat varies from five to thirty one. By and large, the members of the panchayat, namely, panchas are elected by secret ballot in all the states except Jammu and Kashmir. A specified number of seats are reserved for women in all the states. Reservation of seats is also provided for persons belonging to scheduled castes and scheduled tribes in all the states. In Bihar, the panchayat president Mukhiya nominates four members to the panchayat. While doing this nomination, he is expected to ensure that adequate representation is provided for women and scheduled tribes. The president of the gram panchayat is elected directly in Assam, Bihar, Haryana, Orissa, Rajasthan, Punjab, Tamil Nadu, Uttar Pradesh and West Bengal. In the rest of the states, he is elected by members of the panchayat from among themselves.

The prevailing system of direct election of panchayat members by secret ballot in most of the states has been regarded as the best method by various study teams on Panchayati Raj. The practice of co-option or nomination has not been countenanced by some of the committees. The Santhanam Committee on Panchayat Raj Elections (1965) observed that "all the members of the panchayats, including representatives of women, schedules castes / tribes should be elected and there should be no co-opted, nominated or ex-officio members". The Administrative Reforms Commission Study Team on District Administration also felt that all members of gram panchayats should be directly elected. The Vyas Committee (Rajasthan) observed that "co-option in fact is nothing but a corrosion and infringement of true democratic process and the representatives of the schedule castes, scheduled tribes and woman getting a place through Co-option in the panchayats, panchayat Samitis or Zilla Parishads are nothing but a creation of the generosity of members of these bodies and consequently their participation in the deliberations of such bodies is far from active or objective". The Committee recommended formation of reserved constituencies for the representation of scheduled castes and scheduled tribes in proportion to their population. But in the case of women they felt that the present system of co-option could be continued as no reserved wards could be carved out for them. The Narashimhan Committee (Andhra Pradesh) recommended reservation of seats also for women.

In the states where the President (Sarpanch) is indirectly elected from among the members of the gram panchayat, the need for his direct election is strongly felt. Though arguments are put forth for and against each system, the consensus appears to be in favour of direct election of the president. It is considered that this direct election would enable him to win greater popular support and confidence and would create bold and strong leadership.

Panchayat Samiti

The intermediate tier in the panchayat raj system is known in several states as the panchayat samiti. The nomenclature of this tier also shows considerable variations. The elected head of the samiti (or corresponding tier with different names) is known as 'president' in Andhra Pradesh, Assam, Guajarat, Madhya Pradesh, Karnataka and West Bengal, as "Chairman" in Haryana , Himachal Pradesh, Maharashtra, Tamil Nadu, Orissa and Punjab in Rajasthan as 'Pradhan' and in Bihar and Uttar Pradesh as 'pramukh'.

The intermediate tier generally comprises the following categories of members.

(i) Sarpanches of panchayats (ex-officio)

(ii) Local M.Ps, M.L.As and M.L.Cs (with or without the right to vote)

(iii) Reservations and co-option, with a view to providing special representation to women, scheduled caste and tribes.

(iv) Persons representing municipalities, co-operatives etc.

In some states in places of ex-officio members there are those who are directly or indirectly elected. Such categorisation , of course, does not do justice to variations and details. We may broadly observe that a large direct election component tends to make the samiti relatively more responsive to the electorate. The disadvantage with this system is, that it does not provide an organic link with the gram panchayat which executes development programmes at the local level. On the other hand, the indirect election system by which all the sarpanches of gram panchayats are ex-officio members of the panchayat samiti, provides the organic link with the panchayat, making effective co-ordination possible. But it is observed that it makes the sarpanches very powerful. Reports of various committees and other studies indicate a consensus in favour of direct election. The Vyas Committee in Rajasthan observed: While it could be argued that by providing a seat in a higher body to the president of a lower body in an ex-officio manner, the decentralisation pyramid tends to have a real grass-root base, it has also been borne out by experience that such a pyramid then becomes a playground of perpetual pulls and pressures of the lower body which usually run counter to the objective functioning of the higher body. All the sarpanches collectively having a majority vote in the panchayats samiti then have a decisive say even against the valid aspirations of the Panchayat samiti". Therefore, the committee recommended a minimum number of ten directly elected members (each from an area having a population of 7000 to 10,000). Similarly, in Andhra Pradesh, the Narashimhan Committee also felt that the panchayat samitis must consist only of members directly elected by an electoral college of sarpanches and members of gram panchayats. The Bongirwar Committee in Maharashtra and the Zinabhai Darji Committee in Gujarat too have recommended direct election of a certain proportion of members.

For the representation of scheduled caste and scheduled tribes on the panchayat samiti, reservation is considered a better alternative to the present practice of co-option existing in most of the States. The device of co-option tends to be misused by political parties.

The mode of election of the samiti president has also attracted a good deal of attention recently. He is elected by the members of the panchayat samiti. This method of indirect election has led prospective candidates to indulge in manipulation and corrupt practices. The Administrative Reforms Commission (1973) in Tamil Nadu favoured direct election of the chairman of the Panchayat Union Council. A directly elected president might become too strong to ensure smooth relations between him and other samiti members.

Zilla parishad

The nomenclature used to indicate the popular body constituted at the district level is zilla parishad in most of the states. In Assam it is known as makhuma parishad. In Karnataka it is known as District Development Council, and in Gujarat and Tamil Nadu as District Panchayat.

The elected head of this body is termed as chairman in Andhra Pradesh, Madhya Pradesh, Punjab and West Bengal and as president in Assam, Gujarat and Maharashtra. He is known as adhyaksha in Bihar and Uttar Pradesh and as pramukh in Rajasthan. In karnataka Collector is the head of the District Development Council.

This top tier panchayat raj generally comprises the following categories of members.

(i) Presidents of Panchayat Samitis (ex-officio)

(ii) Local M.Ps, M.L.As and M.L.Cs (with or without the right to vote)

(iii) Reservation and co-option (with a view to provided special representation to women, scheduled castes and scheduled tribes).

(iv) Representation of co-operative societies, municipalities, etc.

The term of the zilla parishad is 5 years in all the states.

In the Maharashtra and Gujarat pattern of panchayat raj, a major component of the zilla parishad is directly elected. The Naik Committee (1961) on whose recommendations the panchayat raj system was based in Maharashtra felt that "the District Council which will exercise the functions of the state, should be broad based, should be directly responsible to the people and have the requisite political stature and, therefore, be substantially directly elected". In the states where there is indirect election to this apex body of panchayat raj, direct election is favoured. In Andhra Pradesh, the Narashimhan Committee suggested direct election for zilla parishads forms single member constituencies (electoral circles) into which the samiti blocks are divided. The Vyas Committee in Rajasthan also emphasised the need to broaden the base of the electorate for the parishad membership as suggested in Andhra Pradesh.

The Chairman of the Zilla Parishad is elected from among its memebrs in a large number of states. In Maharashtra and Gujarat he is elected directly. The ARC Study Team preferred his election by an electoral college consisting of memebrs of the gram panchayats within the jurisdiction of the parishad. This election, in their opinion should be held simultaneously with that of the pradhan of the panchayat samiti. The Tripathy Study Team (1969) in Assam, however favoured the Tamil Nadu, Karnataka pattern. The President of District Panchayat is elected by the members of District Panchayat.

MPs and MLAs are ex-officio members of the Zilla Parishads in all the States except Maharashtra. They have voting rights in all the states except Gujarat, Orissa and Punjab. In Assam, Rajasthan and West Bengal they can hold office. In Rajasthan, all the ex-officio co-opted members of the zilla parishads including MPs, MLAs and MLCs enjoy full membership rights. They can vote, participate in the deliberations and hold elective offices. The ARC Study Team felt that they could be prohibited from becoming elected memebrs or head of gram panchayats. Panchayat Samitis and Zilla Parishads but they could be associate members.

Municipality

There are three principle parts in Municpality - Council, Chairman and Exectuive Officer. The deliberative wing of a municipal board is the council. It consists of memebrs directly elected by the voters on the basis of adult franchise. The number of memebrs in a particular council is determined by the state government. The head of the municipality, known as president or chairman, is an elected person. He is elected by the memebrs of the council. Recently, an Act has been passed to elect the chairman of the Municipality by the people.

Municipal Corporation

Mayor, and other Councillors of the Municipal Corporation is directly elected by the people. The election is conducted on the basis of political parties.

Caste and Elections

Caste and Politics are interacted more in the local bodies elections. In the Caste System of Indian Society, as Rajni Kothari has lucidly explained that "factionalism and caste cleavages, patterns of alignments and realignments among the various strata, and a continuous striving for social mobility have been always prominent features of the Caste System. The process of factionalism within the entrenched Castes, a similar structuring of other ascendant Caste, the system of Co-optations and caste coalitions - all of these though they brought about a fragmentation of the Caste System, were in reality still very much Caste oriented and sought their bases in Caste identities, in the process, of course, also generalizing political values and impulses for personal power. There are Caste association among Caste members and Caste institutions or conferences that are more broad based like rallies at the state level or even national level for mobilising power.

Andre Beteille has mentioned that the division of the village into a number of Castes constitutes one of the most fundamental features of its social structure. In Hindu Society, Caste divisions play a part both in actual social interactions and in the ideal scheme of values. Member of different Castes are, up to a point, expected to behave differently and to have different values and ideals. The elements are tactfully tapped for political gains by the Political Parties.

The role of Castes in local bodies elections in prominent one. The political parties are always concentrated to capture power, for which Caste is also taken in their fold. The Caste as a factor for political mobilization is mostly proved today. But the Co-operation, and unity of the Village should not be shattered and we will consider the warning of B.R.Ambedkar that a petty, parochial, narrow minded men" of people. We must take efforts to maintain the unity of people through transparency in administrations and the values of democracy should be taught to the people. Caste may not be considered for local bodies elections.

Model question for guidance

Discuss the role of Political Parties in the Local Bodies.

Lesson - 15

Electoral Reforms of Panchayats in Tamil Nadu

Elections are of basic importance to the structure and working of modern democracy. The procedure of election is different from country to country. The representatives of people were elected in the Greek city states by acclamation. The Initiative, Referendum, Recall etc are the means of direct democracy. They might be adoptable in small countries but difficult to adopt in big countries like India. The representatives of people only to participate in the decision making and carrying out the affairs of the country.

The procedure of selecting the representatives of the people in local government, particularly in the village assemblies is very interesting one. The elections are not a new phenomena to the Indian soil especially in Tamil Nadu. The elections were held in the ancient time itself. The classic Tamil Literature has described the election procedure.

In Aahananooru,

Here the ballot box was a pot. The ballot paper was a palm leaf. The people could cast their vote to the desirable candidates. After casting their votes, the pot would be bound up by **** and sealed by the arbitrators. Thereafter the affixed seal would be checked and then unsealed. Then the palm leaves were heaped up and counting would be followed. The candidates who would get majority vote, be declared elected.

This system had been reflected in the Pallavas and Chalukyas administrative systems during the 9th and 10th century A.D. In the Chola period the system has been improved much. The Uttramullur inscriptions substantiated this system. The period of the inscription is 920-21 A.D. During the 14th annual year of king Parantaka I, Uttramullur is a village 10½ miles north west is the Madurantakam station on the chingleput - Villupuram section of the South Indian Railway. In the inscriptions, the following things were described lucidly. The delimitation of wards, qualification of voters, disqualification of candidate to stand for election, election procedure etc were described. The complete translation of the two inscriptions is as follows:

1-2 Hail Prosperity : On the sixteenth day of the fourteenth year of kind Parakesarivarman, who conquered Madurai (i.e. Madurai) - whereas a royal letter of His Majesty, our lord, the glorious Viranarayana, the illustrious Prantakadeva, the prosperous Parakesarivarman, was received and was shown to us. We, the (Members of the) assembly of Uttramarucaturvedimangalam in its own sub-division of Kaliyurkottam- Karanjai Kondayakramavitta bhattan alias Somasiperuman of Sriranganagar in Purangarambai nadu (a district) of the Cola country, sitting (with us) and convening (?) the committee in accordance with the (royal) command, made a settlement as follows according to (the terms of) the roya letter for choosing once every year from this year forward (memebrs for), the annual committee garden committee and tank committee.

2-3 I There shall be thirty wards. II. In (these) thirty wards, those that live in each ward shall assemble and shall choose for pot tickets (kuda-volai) (anyone possessing the following qualifications:

a. 'He must own more than a quarter (veli) of tax paying land

b. 'He must live in a house built on his own site'

c. 'His age must be below 70 and above 35'

d. 'He must know the Mantrabrahmana (i.e.) he must know (it), teaching (others)'

III 'Even if one owns one eighth (veli) of land (he shall have) his name written on the pot ticket to be put into (the pot), in case he has learnt one Veda and one of the four bhasyas by explaining (it to others).

IV Among those (possessing the foregoing qualifications)

(i) ' only such as are well conversant with business and are virtuous shall be taken' and (ii) 'one who possesses honest earnings whose mind is pure and who has not been on (any of) the committees for the last three years shall (also) be chosen'.

4-6 (One who has been on any of the committees but has not submitted his accounts, and all his relations specified belows shall not have their relations specified below shall not have (their names) written on the pot-tickets and put (into the pot)..

1. The sons of the younger and elder sisters of his mother
2. The sons of his paternal aunt and maternal uncle
3. The Uterine brother of his mother
4. The Uterine brother of his father
5. His Uterine brother
6. His father-in-law
7. The Uterine brother of his wife
8. The husband of his Uterine sister
9. The sons of his Uterine sister
10. The son-in-law who has married his daughter.
11. His father
12. His son.

A One against whom incest (agamyagamana) or the first four of the five great sins are recorded and

B. All his relations above specified shall not have (their Names) written on the pot-tickets and put into the pot.

C. One who has been outcast for association (with low people) shall not, until he performs the explatory ceremonies, have (his name) chosen for the pot-ticket.

D. One who is foolhardly..... shall not have (his name) written on the pot-ticket to be put (into the pot).

E. One who has stolen the property of others shall not have (his name) written on the pot-ticket to be put (into the pot).

F. One who has taken forbidden dishes (?) of any kind and who has become pure by performing the ghee explation (?) shall not be to the end of his life have (his name) written on the pot-ticket to be put into (the pot) for the committees.

G. One who has committed.... sins and has become pure by performing explatory ceremonies.

H. One who is guilty of incest and has become pure by performing explatory ceremonies, all these thus specified shall not, to the end of their lives, have (their names) written on the pot ticket to be put into (the pot) for (any of the) committees.

The panchayats were given due importance by the Royal commission on Decentralisation in 1909. But people were allowed to elect their own representatives and panchayats were not more and popular in far as Union Panchayats were concerned, in 1908, the Govt. authorised the Presidents of Taluk Boards, to nominate the Panchayatdars who were member of union Panchayats. For the first time in the year 1912, some panchayatdars were elected and the practice was continued in the succeeding years. In Madras the govt. formulated a scheme of informal panchayats on non-statutory and experimental basis in the year 1915. It was implemented in individual revenue villages. The member of this panchayats were elected by a acclamation or show of hands. Thereafter it got the legal basis for enactment as laws by the government.

The Panchayats were broadly classified into two, as village panchayats and town panchayats or class I and class II panchayats, based upon income and population. The panchayats were the with jurisdiction over a population estimated at not less than five thousand and with an estimated income of not less than ten thousand rupees as class I and remaining others class II panchayats. The election process was different in each category. In the class I panchyats, members were elected by secret ballot for the purposes of elections, electoral roll was prepared, published and if necessary revised from time to time. The election notification giving due time for filling nomination, scrutiny etc were the common features in the electoral system. But arrangements for voting and the pattern of voting were changed from time to time. In 1950 there were many ballot boxes which were equivalent to the number of contesting candidates. Each candidate box got one ballot box in each and every polling booth. The

ballot box of each candidate bearing the serial number and allotted symbol on both inside and outside. The ballot papers were having counterfoils and serial numbers both on the foil and on the counterfoil. When voting for two or more seats, one counterfoil and as many ballot papers as the number of seats should be printed as foils to the counterfoils. The voters choice was only one. The voter should cast one vote only to a candidate specified in the box. He was not allowed to put all the ballot papers in a single box. Suppose the voter was unwilling to vote all *** might return the surplus vote to the polling officer. The returned votes would be cancelled by the polling officer. Results would be announced after counting of all ballots. After Results would be announced after counting all ballots.

But in the case of class II panchayats the elections were very simple. In the election notice itself there was a call for the people to assemble at a particular place in a particular date and time. In order to reach the election news to the people it was communicated by mens of beating drums. On the particular day, all the people were assembled and selected the required number of representatives. The election process was by showing of hands or otherwise how many of the elector, present and entitled to vote at the election for the ward, were in favour of each of the candidate and the largest number of votes had been given to have been duly elected. This system of election was given up but introduced the class I panchayat system with modifications. Because the system gave more rooms for public suspicion and dissatisfaction. It was modified to only one ballot box instead of as many boxes as to candidates and symbols were printed in the ballot paper. Each symbol was allotted to the candidates and so the voter has to simply mark over the symbol. Both class I and class II panchayats followed this system and the unanimous election procedure except notification of election date and the nomination date also followed.

The procedure of electing panchayat presidents had been changing from time to time. Prior to 1st April 1951 the president of a panchayat was elected by the memebrs of the panchayats from among themselves. He would cease to be the present, if he cease to a member of the panchayat. The Madras village panchayat Act 1950, completely changed this provision. A member of the panchayat was prohibited from standing for election as president. The President was elected by the entire electorate of the village. The procedure of election of members to the classes I and Class II panchayats. The govt. analysed the merits and defects of the direct and indirect election procedure of the president. The debate in the legislature showed that there was a sharp difference of opinion when the change was first made in 1950, and there was a similar difference of opinion later also. The following points were urged in favour of each of the two systems.

Points urged in favour of indirect election

1. The panchayat was intended to function collectively as one unit. The president was only the first among equals and was not intended to be separate authority standing apart from and above the panchayat.

2. In villages where there was an outstanding leader, the difference between the two systems did not matter much. When there was more than one leader, direct election to the office of president was vigorously contested and every voter in the village was forced to back one or the other, with resultant aggravation of faction in the village. This ill-feeling thus generated lasts longer in village where every one knows everyone else than in larger constituencies.

3. Moreover the system of indirect election was the normal method of choosing chairman of municipal councils.

Points urged in favour of direct election

1. Direct election is more democratic than indirect election.

2. Under a system of indirect election a candidate for the office of the President might succeed, by unduly influencing a relatively small number of panchayat members. Under a system of direct election, he could not succeed by resorting to malpractices. He must enjoy the confidence of a majority of the village people.

3. Under a system of direct election; a candidate has to seek voters belonging to all communities and all income groups. Therefore the system was likely to foster unified leadership and discourage faction

The Madras Panchayat Act was amended by the Act of XXIV of 1957. In order to rectifying the defects of the prevailing system of direct election of the President, independently of the members of the panchayat was abolished. The pre 1950 system of election of President by the members of the panchayat was restored. But this system was not lasted long. Because the elected members of the panchayats were not co-operative with the President in carrying out the functions of the Panchayat. In order to tackle effectively cases of deliberate non-co-operation of members, the Act was amended so as to provide the direct election of President. This system is following on. In the village panchayat elections no political party symbol was assigned to the candidate. But the intensive campaign was one with party bias. In the elections in Tamil Nadu in the year 1970, all the political parties especially the DMK made an all out effort to wrest from the congress as many panchayats as possible. But the old system of electing members by means of lot was also witnessed in the 1970 election. In Tanjore district, Sakkarasamandam village, a novel method was adopted to elect the members to avoid clash. The members as well as the President, were elected by lot in front of Pillaiyar temple.

CONCLUSION

Election is the common subject, applicable to all. The election procedure is improving through a series of trial and error. It has gradually evolved from public voting or show of hands to the modern method of marking against the candidates name and symbol. Being local self-government is under the state list, the elections to the local bodies is in the discretion of the state government. We are intentionally making the values of votes different to the

various bodies. Voting in the parliament elections, state legislative elections and local bodies elections is only a democratic process. We should give equal weight to all the votes in respect of election is concerned. The election commission is an independent body should conduct the elections. Because whoever might conduct the elections, the purpose is only one and the same. In such a situation, why elections for the local bodies are conducted by the local government department itself? Even for State Assembly elections, the programme for elections is got formally approved by the state government and sent it to the Election Commission. The Election Commission has opposed the present practice. Being a representative of the Election Commission, the chief electoral officer should satisfy himself that the programme is suited to the conditions prevailing in the constituency and is not meant to suit the convenience and interest of the ruling party only in the state. So the commission want to bring all election in the state under the supervision and control of one Department. The Committee on Panchayat Raj Institutions under the chairmanship of Thiru Ashok Mehta in its report recommended that the panchayat Raj elections should be conducted by the Chief Election Officer of the State in consultation with the Chief Election Commissioner. The Chief Election Commissioner of India suggested that mere consultation with the Election Commission would not bring about the desired result and it would be necessary to clothe the Election Commission with the power of superintendence, direction and control of the preparation of electoral rolls and the conduct of elections to these institutions, and the Chief Electoral Officer with the power of supervision over these matters as in the case of elections to Parliament and the State Legislatures. By means of such arrangements, elections may be conducted in time. It is not tolerable one, when elected people for five years, occupying more than the prescribed period. In Kerala, the term of panchyats have been extended to 22 times. After a number of years in West Bengal election was conducted. In Tamil also, there is no election for some years. In these circumstances, election are to be arranged under the jurisdiction of the Election Commission is desirable one. The 73rd Amendment of the Indian Constitution is mandated to establish State Election Commission to conduct Local Bodies election.

Model question for guidance

Bringout the electoral reforms of Panchayats in Tamil Nadu.

Lesson – 16

Role of Committees in Local Government

The Committee System

The Committee system in municipal government in India has been borrowed from the U.K. where the committees *are regarded* as the workshops of the council. There are four main kinds of committees – statutory, standing, special and joint committee, any of which may in turn have sub-committees. A statutory committee is one that by law is compelled to establish Committees appointed regularly by the council are standing committees, those for a nonrecurring purposes are special committees. Joint committees are those in which members of one authority to join others to carryout a joint purpose.

The division of functions may be based either on the 'vertical', (or 'functional') system or on the 'horizontal' (or 'aspect') principle. Examples are 'Education Committee', and 'Finance Committee' respectively. A Committee or sub-committee exercises two kinds of functions:

(i) matters which should be referred to it; and

(ii) functions delegated to it;

The *role* of the committee may be summed up thus:

(a) to exercise supervision on behalf of the council *over the Departments*;

(b) in collaboration with the council to advice the council on policy and to prepare detailed measures of policy for the council's considerations and

(c) in some measure to *exercise the council's* powers in matters of importance.

The executive power is virtually exercised by *the Standing* Committee. It controls the executive head whatever might be the designation, whether the Mayor, the President or the *Commissioner. In fact*, 'the people control the Council, the council controls the Committee and the Committees control the Department'. It is the first check on the executive and the final responsibility is left with the Municipal Council. The Standing committees has been statutorily recognized by the Act itself. But the powers and functions of the Committees *are* decided by the Council and hence Standing Committee is a creation of the Council.

a) Standing Committee

Every standing committee shall consist of five members elected by the Council from among its Councillors by a majority of the Councillors present and voting.

Subject to the prior approval of the government, the Council shall by regulations framed for the *purpose determine* the power and duties of the Standing Committees.

The Council shall sanction such staff as may reasonably be required by each standing committee to discharge its functions.

b) Additional Standing Committees

The Council may, with previous sanction of the government constitute additional standing committees for such purposes as the Council thinks fit.

c) Joint Committees

The Council may, and if so required by the government, shall join with one, or more than one other local authority in constituting a joint committee for any purpose in which they are jointly interested or for any matter for which they are jointly responsible.

d) Statutory Committees

The Statutory Committees are appointed by the Corporation. These committees are composed of members elected by the Councillors from among themselves at the first meeting of the Council after each general election. No Councillor shall be a member of more than one statutory committee at the same time. The term of office of chairman of any statutory committee shall be only one year from the date of his election as chairman. The terms of the statutory committees are the same as that of the Council.

The most important statutory committee in Uttar Pradesh is called the Executive Committee, and in Delhi it is called Standing Committee. It is a permanent committee of the Council and resembles the Cabinet. In Delhi, besides the Standing Committee there are three other statutory committees, namely, Delhi electric Supply Committee, Delhi Transport Committee and Delhi Water Supply and Sewage Disposal Committee. In Madras and Calcutta, all committees are Standing Committees and deal with education, health, taxation, finance and so forth. In Madurai, there are six Standing Committees to deal with Accounts, Education, Health, Taxation and Finance excluding Taxation appeals, Town Planning and Improvements and Works. In Addition to the statutory committees, the Council of Corporation is empowered to appoint such other committees as it thinks fit.

The mode of appointment of statutory committees and their powers and functions differ from state to state. But there are some powers and functions which are common to the Standing Committees of all the Corporations. "The Standing Committee comes into contact with the executive wings in many fields and also checks the Commissioner from acting arbitrarily. If fixes the term, rate and prices for the disposal of property by the Commissioner and power to modify the budget estimates. Without its approval the Commissioner cannot enter into contracts exceeding a certain amount. Most of the expenditure incurred by the municipal Commissioner are to be reported to the standing committee. There are, as a matter of fact, two procedures by which it puts a limit to the powers of the Commissioner. First, for all expenditure, exceeding a certain amount, the Commissioner must report to the standing committee. Second, for certain other amounts, he cannot incur expenditure without the sanction of the standing committee".

In India the committee system has not developed successfully. They are not as in U. K. the real workshop of local government. In their operations the true spirit of committee work is lacking.

The appointment of joint committee is generally is the discretion of local bodies; in some States like U.P. and Punjab it is obligatory on the council to appoint to a joint committee when required to do so by committees partly on account of civic pride and local patriotism and party from fear that such action will involve loss of a measure of local autonomy. The joint committee system is a useful method of co-operation between local bodies e.g., in the fields of regional planning and its use should be encouraged. There should be statutory powers in all States to enforce appointment of joint committees by councils, and an effective machinery for their supervision by the appropriate Government Department.

Joint committees are not appropriate for day to day administration of a service. The system has inherent defects; delay is caused where a function cannot be delegated; reports have to be made to the separate authorities and decisions taken by them, there is always the possibility of disagreement among councils represented on the joint committee. The British system of joint boards avoids these difficulties. While a joint committee acts as a committee of the constituent authorities, a joint board is a separate authority with its own officers, property and funds, and a distinct legal personality.

The Standing Committees and the Commissioner were to give effect to every resolution of the Council unless the Government cancelled such resolution in whole or in part. The Standing Committee might direct the Commissioner,

a) To produce any record, correspondence, plan or other document which were under the possession and the control of the Commissioner.

b) To furnish a report from the Commissioner or to obtain from any head to department subordinate to him and furnish with his own remarks regarding the subjects connected with the municipal administration. The Commissioner compiled with every such requisition unless the matter was prejudicial to the interest of the Corporation or of the public and it was reported to the Mayor and his decision was final. The Commissioner might sanction the contract provided the amount did not exceed to a particular amount. Contracts exceeding that amount required the sanction of the Standing Committee. Contracts exceeding to a amount and above required the sanction of Government.

The Standing Committee on Accounts, in addition to the powers and duties assigned by the Council, was having the following duties:

a) To supervise the utilization of the budget grants;

b) To scrutinize all the accounts of the Corporation and if its thought necessary asked the explanation from the Commissioner;

c) To conduct a monthly audit of the municipal accounts; and

d) To write off the amount of any loss of or any depreciation caused to, municipal property which appears to the Committee to be irrecoverable.

The Standing Committee on taxation and finance also had the power of asking the explanation over the matter of Corporation accounts, in addition to the conferred powers of the Council.

The Madras City Municipal Amendment Act X of 1936 made radical changes in the Corporation. It raised the number of Standing Committees from 4 to 6 and gave power to the Council to constitute additional Standing Committees with the previous sanction of the Government. The Standing Committees were on:

a) Accounts

b) Education

c) Health

d) Taxation and Finance, excluding Taxation Appeals

e) Town Planning and Improvements

f) Works

To deal with the Taxation Appeals, a Committee was constituted, consisting of 3 members, two elected by the Council and the third appointed by the Government. Each Standing Committee consisted of 11 members elected by the Council from among the Councillors and the Chairman was elected at the first meeting after the election of the Mayor. The prevailing rules restricted the membership to one for Standing Committee, instead of two. The re-election of outgoing Chairman of Standing Committee was also prohibited. The Mayor was the ex-officio member of every Standing Committee and of every other Committee, constituted under the Act, except the Taxation Appeals Committee, and he was not eligible to be elected as the Chairman of any Standing Committee.

A major structural change was made, in the functioning of the Standing Committees, under the Act of 1962. The White Paper on the Reform of Local Administration in Madras State. Including the Madras City Corporation, was published in 1958. It suggested that the work of the Council was to be decentralized and functioned through its Standing Committees which would influence on the efficiency of the Corporation. It proposed to constitute a Central Committees and Circle Committee on a territorial basis in the place of the existing five functional Standing Committees. In the prevailing system, every Standing Committee had got jurisdiction over the whole city but each Committee had limited functions to perform. However, the view of the Council of the Corporation was that even the existing six Standing Committees were not able to cope with the ever increasing work because of the enlargement and expansion of services by the Corporation. It was proposed that "this set up should be abolished and replaced by a new set up with only one Committee – a Central Committee – having jurisdiction over the entire city, and ten other Committees, which may be called 'Circle Committees' constituted one for each city municipal circle".

The above proposals were implemented by the Act of 1962. It constituted the following Committees:

a) Central Committee
b) Circle Committees
c) Corporation Accounts Committee
d) Contracts Committee
e) Licence Appeal Committee

a) Central Committee

It was a common Committee to the entire city which used to meet at monthly intervals. It consisted of a Mayor, Deputy Mayor and one member from each Circle Committee. Mayor was an ex-officio member and also the Chairman of the Central Committee. The Municipal workers, institutions, services which were maintained for the benefit of the city as a whole, or for the benefit of two or more city Municipal circles, were vested in the Central Committee. Central Committee was empowered to co-ordinate the work of Circle Committees. The functions and powers of the Council in relation to the Central Committee were exactly the same as the one between the Council and the existing Standing Committees.

b) Circle Committees

Each Circle Committee consisted of all the Divisional Councillors of that circle, in addition to the co-opted members. It elected one of its members as their Chairman. It met once in fortnight.

c) The Corporation Accounts Committee

It consisted of the Mayor and seven other members elected by the Council from among its Councillors. The term of office was equal to the Councillorship. When vacancies arose, that would be filled by the Council. Its function were:

i) To supervise the utilization of the budget grants.

ii) To access the accounts of the Corporation and might require the Commissioner to furnish any explanation, which it considers necessary, relating to the receipts and expenditure of the municipal funds.

iii) It might conduct a monthly audit of the municipal accounts and check the monthly abstract of receipts and disbursements for the preceding month as furnished by the commissioner.

iv) Might write off the amount of any loss of or of any depreciation caused to, municipal property which appears to the Committee to be irrecoverable.

d) Contracts Committee

The Committee was composed of the Mayor and Commissioner with the Mayor as the Chairman. The function of the Committee was to analyse the problems of contracts.

e) Licence Appeals Committee

This Committee consisted of 5 members who were elected by the Councillors from among themselves. The term of office was equal to the Councillorship. The function of this Committee was, to hear and analyse the Licence appeals from the people.

There was a provision to constitute the additional committees with the sanctions of State Government. The necessary staff for the Committees were sanctioned by the Council.

The above system continued till 1971. But the working of the system was not satisfactory, because, the city municipal area was an integrated one and could not be treated as a distinct municipal area for certain specific purposes. Due to this difficulty, the old Standing Committee system has been restored. In this way, all the local bodies are having Standing Committee system all over India.

In Tamil Nadu, efforts are being taken to frame rules to constitute standing committees' execution of development works. The Committees will have 6 to 15 members, each and one third of them will be women. The members of each standing committees will elect one among them as Chairman. The Committees will deal with the subjects on 1) audit, 2) education, 3) sanitation and family welfare, 4) Tax assessment and finance, 5) planning and development and 6) works. The term of office of the members and chairman of the standing committee will be fiver years.

The present committee system is a modification of functional committee system. It is again restored the Circle Committee System. Under this system, for example in Madurai Municipal Corporation is divided into four circles. The Chairman, members are directly elected by the councillors. Each Circle is headed by Deputy Commissioner for the implementation of the Committee resolutions.

.Model question for guidance

Bringout the importance of Committees in Local Government.

Lesson – 17

Leadership : Role of the Collector in Local Administration

The collector has been variously described as 'representative and agent of government', 'general manager to all Government activities', 'eyes and ears (and sometimes arm) of Government', the king-pin of administration', 'the keystone of the arch of district administration', 'the man on the spot' 'the arch specialist', 'the first citizen in the district', the supreme head of the district administration', 'the friend, director of the Rath of Panchayati Raj'. Some of these are attributes of a bygone age. Others are a hangover of the past. Few are already getting eroded by the wind of change.

Position of the Collector

Many factors have gone to contribute to the pre-eminent position of the Collector as the 'natural leader' of the district. On the one hand was the trust and confidence reposed by Government in his judgement and decision-making; on the other hand was the faith and belief of the people in his ability to redress the grievances or render imparts justice. Both these, in turn, are derived from the close contact with the people in the district which the Collectors established through constant tours and also through constant stream of interviews with visitors of all kinds. All the threads of administration of the district were in the Collector's hands. The totality of functions, the closeness of the contact with the people, and the personification of government were all hightened by an unmistakable superiority in recruitment, training, and material compensation which placed him above all other government officers in the district.

Nature of leadership

The nature of leadership exercised by the collector has been essentially an 'administrative leadership'. It is a little wider than purely 'executive or managerial leadership'. But this leadership is indeed very different from 'political leadership'. The term leadership is normally associated with politics and political parties. It connotes as the capacity to command the loyalty of masses. The task of such leadership in the past has been to mobilize the masses may include speeches, writings in newspaper and many other public actions. The leadership exercised by the Collector is of course of an entirely different kind. It has been essentially of a functional character and related to the position does not in itself confer upon any individual the qualities of leadership but successful discharge of the responsibilities attached to the position of the Collector demands their possession and exercise. Notwithstanding the vast differences between political and administrative leadership both call for certain common qualities-ability to taken initiative, to wield people into a team working for a common purpose, to sustain the vitality of an organization.

The scope of the Collector's leadership is not confined only to his office and his staff. It cannot be exercised in the strict anonymity of the secretariat functioning. Within the district a collector cannot be anonymous. Indeed the glow of his personality has to be felt throughout the nook and corner of the district.

The functions attached to the position of the Collector made demands on his qualities of leadership. The significance of the land revenue functions extended for beyond the physical fact of collection of some amount of money for the public exchequer. It established a bond between the governor and the governed and it provided a starting point of enquiry into the fortunes of the farming families in the district. The Collector could enquire into conditions of crops, the returns from agriculture, the position of indebtedness, expenditure on marriage and social functions, investment in land village feuds and the decisions of the caste panchayats, census of land holdings and cattle, etc. Mutation of land rights and acquisition and disposal of land brought him into touch with the vital problems of the people principally depending on land.

Emergency situations are specially called for the exercise of leadership. In situation like accidental fire, scarcity and famine, riots and insecurity, floods and earthquake the people of the district looked to the Collector for organization of relief measures. Failure to rise to the occasion would have exposed the Collector to serious reproach.

A leader has to be the count of the last resort. The residuary powers of the Collector enabled him to play this role.

It is these functions that enabled the Collector to play the role of an intermediary between the people and the Government, between one department and another, between voluntary organizations and the machinery of Government. The Collector had to encourage every worth while effort in the district. He had to be head of the Red Cross organization; the district soldiers, sailors, airmen board; the Management Committee of the district school, and till recently chairman of the District Co-operative Bank and the regulated market. He had to feel the pulse of the public opinion and he had to interpret the programmes and policies of the government to the local people. He had to foster public leadership and get the co-operation of the public for enforcement of measures required for the implementation of the government's policies. He had to get things done by all the other departmental heads in the district.

New dimensions in the leadership role

The functions of Collector have undergone a radical change. With the attainment of independence, inauguration of the constitution of a democratic state, the broadening of the principles of democracy to the grassroots and the adoption of methods and machinery of democratic planning. Several new dimensions have been added to his leadership role. Nation-building has replaced land revenue collection and maintenance of law and order as the primary focus of the district administration. The task of nation-building has to be done through planning. A large sector of the national plan reaches the people through the machinery of district administration. Moreover it is at a district level that the ideals, objectives and targets take the shape of projects, action and impact. In this process the Collector has to play a crucial role. Tasks have to be assigned, time-limits have to be laid down, co-ordination had to be secured, bottlenecks have be broken, the shirker has to be energized, a sense of urgency and vitability has to be imparted, and "a stream of tendency" has to be driven through the efforts of all towards the basic objectives of the plan, whenever tendencies of a slowing down of the tempo of work appear a new impetus has to be given and a fresh drive provided. Overlapping and

working at cross-purposes has to be avoided. Progress has to be constantly reviewed and in the light of evaluation, fresh measures have to be taken. The technical and administrative support of various State agencies has to be secured. He must kindle public enthusiasm. Popular participation is the condition of success. The collector has to lead leadership, organize organization and guide the newly formed Panchayati Raj institutions.

The structure of district administration has undergone change in recent years. 'Area specialisation' is superseded by 'functional specialisation' and the 'field service area' is superseded by the general governmental areas'. With the expansion of the scope of governmental activities, functional specialization and division of labour in the field of development have proliferated. Departments like Labour, Industry and Animal Husbandry which never had a hierarchy below the district level are acquiring new ranks at the lower levels. Established departments like Agriculture and Co-operation are having new specialized personnel in branches like plant protection, soil conservation, credit, marketing, banking, etc. The administrative necessity of a functional specialization is at the same time accompanied by the demand of democracy at the grassroot level that the field services be brought under the general government. In India these have been the 'Panchayati Raj' institutions composed of the elected representatives of the people. In the interest of economy and streamlining of administrative machinery, it has been decided that there could not be overlapping field services of the Federal and State governments co-existing with the local governmental authorities. Therefore, the same administrative machinery has to serve both the Local, State level and Federal government authorities.

The two trends of functional specialisation and the emergence of the local government areas, have made the problem of co-ordination of crucial significance. With the proliferation of functional specialisation, co-ordination of the specialized functions has emerged as the key role of the general administrator. On the other hand the emergence of the general governmental areas, have underline the need of the co-ordination of their activities with the programmed coming down from the State and the Federal levels; it is in this context that the leadership role of the collector needs to the reassessed.

The Position of Collector within the Panchayati Raj Institutions

The position of the Collector is under strain. Functional specialization has naturally increased the burden of work. On the other hand, the emergence of the general Governmental authorities at the local level has made breaches in the authority of the district Officer. A simple 'unity of the command' no longer obtains. Apart from the vertical commands of the technical hierarchy, there are now the cross-commands of the elected representatives. The local pressure groups have grown in strength. The easy accessibility to the policy-maker at the state headquarters has eroded the finality of the decision of the officer on the spot. It is feared by many that sometimes even in small matters the Collector has no say. For redress of grievances, direct approach to the State government through local political leaders has become easy. Thus while the responsibilities have grown, the prestige of the District Collector has declined and function without power has become the privilege of the District Collector.

Now, the question of the precise position of the Collector in the structure of the Panchayati Raj institutions has assumed great importance. For this question a satisfactory solution is yet to emerge. Different systems prevail in different parts of the country. In some States, the Collector is within the fold of Panchayati Raj institutions and in other places he is without. Where he is within, he is either a voting member, a non-voting member. Chairman of the Standing Committee or Chairman of the whole body. When he is without, he has either some formal powers of supervision or none what-so-ever. The formal powers are regular at some places and at others of an emergency nature.

But if the Collector is the Chairman of the Zilla Parishad, the latter could never grow into a full-fledged autonomous institution. The democratic principle will suffer. If the Collector is the Chairman of the Standing Committees sooner or later a clash is likely to develop between the Collector and the Chairman of the Zilla Parishad. In this clash if the Chairman of the Zilla Parishad prevails, the Collector would be ineffective. On the other hand, if the Collector prevails, democracy will receive a set back. If the Collector is a voting member, his undemocratic membership is bound to inhibit a free expression of his opinion. If he is a non-voting member his presence will be a mere mockery. There could be however one more alternative. The collector could be the Chief Executive Officer of the Zilla Parishad. In this role he could undoubtedly play the leadership role of an executive nature within the limits and the scope allowed to him by the Zilla Parishad. In such a situation he will be the undoubted head of the team of District Development Officers. He would be the chief adviser to the Zilla Parishad. The advice of the technical heads of district would be translated by him in terms of feasible administrative measures and presented to final decision by the Zilla Parishad. He could be the chief planner of the District. He could arrange to 'gather techno-economic data', asses resources and evolve a coherent plan of action and place it for, final approval of the Zilla Parishad.

The question of reconciliation of national objectives with local needs would be a recurrent theme in the years to come. The collector could interpret the Federal and State policies in terms of local significance. He could use the local leadership of the Chairman and members of the Zilla Parishad for forming public opinion, developing a favourable climate, mobilizing local resources and generating wide spread enthusiasm. The leadership role of the Collector should not be inhibited by placing him in an untenable position.

In the states of Maharashtra and Gujarat an officer of the rank of collector has been placed as a Chief Executive Officer. The Collector's position is still retained as "the eyes and ears" of Government. There could be many objections to such an arrangement. Surely the existence of two officers on the senior scale of the Indian administrative Service cannot be commended as a measure of economy. The Chief Executive Officer will be unwilling to take instructions from the Collector. Deprived of the day-to-day contact with mainstream of the development activity, and out of touch with personnel in the district, the State Government will find in the Collector eyes which do not see and ears which do not hear, The Collector would not have even the authority to inspect the working of the Panchayati Raj institutions; Apart from the revenue and law and order, he would be in charge of the state sector schemes

to be implemented in the district. The local implementation of the state scheme has to be through well-knit machinery and organization. But all the available development machinery and organization in the district are at the disposal of the Zilla Parishad and its Chief Executive Officer. So the Collector is helpless without the assistance of the Zilla Parishad and its staff.

There are some deep-rooted factors underlying the retention of a separate Collector in the States of Gujarat and Maharashtra. It is mainly the desire on the part of the State government to have an officer of their own, completely answerable to themselves and entirely non-political and non-partisan in approach. The Chief Executive Officer would not go beyond the limits of the political and partisan approach decided upon by the Zilla Parishad after deliberations. There is also perhaps the unexpressed fear of the government that in a situation of emergency, where quick local mobilization is required the State Government cannot depend on the Zilla Parishad and its organization. This belief on the dependability of the Collector is built on past experience. Now shorn of position and authority the collector is not in a position to deliver the goods. So some of the emergency functions as distribution of food and other essential articles in items of scarcity and emergency are bond to be entrusted for instance to a net work of consumers' co-operatives. Under the present circumstances these works can be better organized by the Chief Executive Officer and the staff of the Co-operative department working under him, rather than by the Collector with the help of his revenue officers and perhaps the officers of the old Supply Department.

Maturity of experience, capacity for a balanced judgement nonpartisan attitude etc., are not going to help the collector to overcome the inherent limitations of his position.. It is clear that the trend towards a strong, real and substantial elected local governmental authority at the District level is irreversible. An elected district authority cannot function without an organization of District Officers aided by the Chief Executive Officer of senior administration rank. Anyhow, still it is desired that the collector should continue as a State Officer. In such a situation the collector could function only at a level above the district unit. Therefore, it becomes necessary for a collector to be a State Officer for an area comprising of about two to three districts. This jurisdiction may be smaller than the area of a region in charge of commissioners jurisdiction. Indeed with the position of the collector in charge of two or three districts' there may not be any case of the retention of the commissioners.

In his new position the collector would be the Inspector of local authorities at all the three tiers. He would be in charge of the execution of State plan through the Zilla Parishad. He would act as an Ombudsman with the authority to hear grievances and take initiative in providing an impetus wherever the local administration shows signs of flagging energy and enthusiasm. In addition to the assistance of staff at his headquarters' he will have directly under him officers placed in charge of such residuary function as are not within ambit of the local authority, such as Revenue Officer, Excise Officer or Labour Officer. He would also be the primus interpares amongst the regional officers like Deputy director (Agriculture) and Deputy Registrar of Co-operative Societies.

Thus the former leadership functions the collector would be divided between the new Collector and the Chief Executive Officer. The Chief Executive Officer would be the co-ordinator, the area specialist and the captain of the team of development officers at the district level. The new Collector would be the "eyes and ears" of Government and if not the "friend philosopher and guide" at least 'corrector' and "inspector" and "Ombudsman" of the Panchayati Raj institutions.

Model question for guidance

Critically examine the leadership role of the collector in the Local Administration.

Lesson - 18

Personnel Administration of Local Government

Generally these are the personnel problems of Local Government namely : recruitment, training, promotion, staff relations, conditions of service, disciplinary control etc. First comes recruitment. The ordinary meaning of recruitment is to attract the people for appointment. But usually we have come to understand by that application received by the recruiting authority. In local government it is a very difficult task to attract well qualified and competent candidates for service, the reason being that the local administration is a very limited area, and competent people are not readily available. Secondly, the scope for career service is limited. Competent and able hands tend to avoid, bypass or neglect or ignore local government service. Further local government service jobs are not as well paid as compared to the other State Government or Central Government services. There is a tendency noticeable among local government service officials, that their job is temporary or a half way house or not permanent. Service conditions in local government service are such that the members often are made to feel that their service is insecure and they cannot be sure of their promotion.

It is time the State Government took suitable steps to make it an attractive service so that suitable candidates may be drawn to it. The pay scales should be fair and adequate having regard to the duties of responsibilities of the various posts and the emoluments of employees of various classes and grades should be on a par with those of the corresponding State government employees. The posts under local bodies will have to be suitably equated with those under the State Government. If this is done it may be possible to secure the services of suitable and competent persons to the service. Sufficient scope for promotion should also be provided so that they who have gained experience are not attracted elsewhere in the absence of avenues of promotion. Most of the higher level posts should be filled by promotion; if not the highest levels, at least the next immediate cadres in the high categories must be filled by promotion. In the same way those in lower level posts namely class IV etc. should be on narrow parochial or communal outlook on the part of those in charge of promotions, which should be on the basis of broad perspective of the service. Another point relevant for consideration relates to the recruiting authority. In practice nowadays top posts in the local administration service are filled by appointment by government and the remaining posts are filled by the Chief Executive who himself is an appointed by government, in consultation with the Council or the standing Committee. Long time back a separate personnel agency for local administration was suggested, namely a municipal civil service Commission but it has not yet been accepted by all the States. In Tamil Nadu it is yet to be accepted and implemented.

The classification of positions in Panchayati Raj service is noteworthy. The personnel are controlled by the State Government ultimately but the control of the district officials of the State Government over the block level set up is more. Three cadres are operating in these institutions. Another peculiar feature is the village level workers and the gram sevikas form part of the block organization but they are not under the control of the village panchayats.

After recruitment comes training, committees are constituted for training the selected personnel. The Expert Committee on Training of project personnel (1957), the UN Evaluation Mission (1959), the High Level Team on Training (1961) the Committee on Plan Projects Team for the study of Community Project and Nation Extension Services (1957 have made a comprehensive study of the content and method of the training courses for Village Level Workers, Gram sevikas as extension officer, Block Development Officers and other community development workers and also of the organization and administration of the training centers conducting these courses, and have given useful guidelines.

In Tamil Nadu the following types of training are given to various personnel:

1. Pre-services Gramasevak Training
2. Gramasevak Refresher Training
3. Intensive Agricultural Training and
4. Gramasevika Training.

The aims of these training course are:

1. Pre Service Gramasevak Training : training activities like Prayer; Spinning, Community work and attending various classes – during two years.
2. Gramasevak Refresher Training : to keep the Gramasevikas abreast of the latest research and extension techniques and fill the gaps resulting from incomplete training giver earlier. The duration is two months.
3. Intensive Agriculture Training: To improve the technical competence of the Gramasevikas and to improve their functioning and capability as efficient and effective agricultural extension workers. The duration is one year.
4. Gramasevikas Training : To import scientific knowledge pertaining to home making and skills in household arts. Duration is one year.

All this is not to deny the need for separate courses for the other officials and functionaries of Panchayati Raj bodies. The officers should first get themselves acclimatized to the immediate supervision of their work by elected bodies; their competence should be built up in procedures; full implications of the rural development projects should be understood by them; administrative management should be sharpened. Virtually a new administrative culture has to be inculcated in them. Therefore a course of training should aim at functional specialization and skill upgradation. The training should also provide the know-how in micro-plan building and problems of implementation. The framework of personnel policy should take care of initial training, job supervision, in service training, incentives and other related matters. These courses will be of a longer duration according to the requirements.

Service Conditions

Personnel working with the Panchayati Raj institutions recruited through different sources are governed by the service rules framed by their parent organizations or departments. The service rules are framed by the State Government even for Village Level Workers, Gramasevikas, and such others who are recruited by the Panchayati Raj institutions. Except promotion, the other service conditions are the same for all officials whether they are with Panchayati Raj bodies or in government departments.

At Block level at present there are two Block Development Officers designated as Block Development Officer (Panchayat Union) and Block Development Officer (Village Panchayats). All development works and programmes are executed through the Panchayat Union Councils. The Block Development Officer (Panchayat Union) is the Commissioner of Panchayat Union who is the Executive Authority of the Panchayat Union Council.

The Block Development Officer (Village Panchayats) is exclusively attending the Village Panchayat administrative matters and implementing poverty alleviation programmes and individual beneficiary oriented programmes. The Block Development Officer (Panchayat Union) and the Block Development Officer (Village Panchayats) are being assisted by a team of qualified Extension Officers, Rural Welfare Officers and other Administrative Staffs.

The Panchayat Union is occupying an important central position in implementing the Rural Development Programmes for the rural poor. Under the implementation of these programmes, the rural poor have enough opportunities to participate in the rural development administration in the block level. Therefore the Tamil Nadu Panchayat Act has provided for the post of Commissioner with adequate powers. Let us explain the powerrs and functions of the Commissioner as provided in the Act.

Panchayat Union Commissioner

A Commissioner shall be appointed by the Government in the case of each Panchayat Union Council. Such Commissioner shall ordinarily be the Development Officer appointed in pursuance of the National Service Scheme of Community Development for the Panchayat Development Block.

No recovery shall be made from the Panchayat Union Council towards the salary and allowances paid to any Commissioner or towards his leave allowances, pension and provident fund.

The Government shall have power to regulate the method of recruitment, conditions of service, pay and allowances and discipline and conduct of the Commissioner.

The Commissioner shall -

Have the right to attend the meeting of the Panchayat Union Council or of any Committee thereof and take part in the discussions thereof, but without the right to move any resolution

or to vote; Attend any meeting of the Panchayat Union Council or of any Committee thereof it required to do so by the Chairman; Carry into effect the resolutions of the Panchayat Union Council; Furnish to the Panchayat Union Council such periodical reports regarding the progress made in carrying out the resolutions of that body and in the collection of taxes as the Council may direct; He can control all the officers and servants of the Panchayat Union Council;

Perform all the duties specifically imposed and exercise all the powers conferred on the Commissioner by this act and subject, whenever it is here in after expressly provided, to the sanction of the Panchayat Union Council and subject also to all other restrictions, limitations and conditions hereinafter imposed, exercise the executive power for the purpose of carrying out the provisions of this Act and be directly responsible for the due fulfilment of the purposes of this Act. The Panchayat Union Council shall have power to issue such specific directions as it may think fit regarding the performance by the Commissioner of any of the functions assigned to him under this Act: Provided that where such directions relate to any National Extension Service Scheme of Community Development or any other scheme specially entrusted by the Government to the Panchayat Union Council, the directions issued by the Council shall be in conformity with the terms and conditions of such entrustment. Subject to any directions given or restrictions imposed by the Government or the Panchayat Union Council, the Commissioner may, by an order in writing, delegate any of his functions to any officer or servant of the Panchayat Union council or to any servant of the Government. The exercise or discharge of any functions so delegated shall be subject to such restriction, lmitations and conditions as may be laid down by the Commissioner and shall also be subject to this control and revision.

In the place of Commissioner of Panchayat Union Council, as it has been already mentioned two Block Development Officers have been appointed in Tamil Nadu. One of the Block Develoment Officers is designated as Block Development Officer (Panachayat Union) and another Block Development Officer(Village Panchayats). The Block Development Officer (Panchayat Union) should have the powers and the role specified for the Commissioner in the Act so that the Chairman and the Members of the Panchayat Union Council could effectively participate in carrying out the different functions of the Panchayat Union Council. Chief Executive Officer as provided in Tamil Nadu Panchayat Act 1994, who will carrying out all the functions of District Panchayat.

The Chief Executive Officer of District Panchayat

The Administrative head of the District Panchayat is the Chief Executive Officer. He is appointed by the Government an officer not below the rank of Joint Director of Rural Development as Chief Executive Officer of the District Panchayat. The Government has the power to regulate the method of recruitment and conditions of service, pay and allowances and discipline and conduct of the Chief Executive Officer. He has exercise all the powers specially imposed or conferred upon him by or under this Act or Under any other law for the time being in force; He can supervise and control the execution of all works of the District

Panchayat, and have the right to attend meetings of the District Panchayat or any Committee there of and take part in the discussions threat, but without the right to move any resolution or to vote; He attends any meeting of the District Panchayat or any Committee thereof if required to do so by the Chairman; He carries out the resolution of the District Panchayat; and to furnish to the District Panchayat such periodical reports regarding the progress made in carrying out the resolutions of that body and the collection of taxes as the Council may direct; He controls the officers and servants of the District Panchayat; and Exercises such other powers and discharge such other functions as may be prescribed.

The District Panchayat shall have power to issue such specific direction as it may think fit regarding the performance by the Chief Executive Officer of any of the functions assigned to him under this Act. Subject to any directions given or restrictions imposed by the Government or the District Panchayat, the Cheif Executive Officer may, by an order in writing, delegate any of his fucntions to any officer or servant of the District Panchayat or to any servant of the Government. The exercise of discharge of any function so delegated shall be subject to such restrictions, limitations and conditions as may be laid down by the Chief Executive Officer and shall also be subject to his control and revision. The Chief Executive Officer shall within fifteen days from the date of the meeting of the District Panchayat or of any of its committee, submit to the Government every resolution of the District Panchayat or any of its committee which in his opinion is inconsistent with the provisions of this Act, or any other law and it shall not implement such resolution otherwise than as decided by the Government.

In Tamil Nadu at the District level the District Collector holds an important position as for as the District Panchayat is concerned. According to the Act the District Collector should be relieved from the functions relating to the implementation of development programmes at the District level. The Act has emphasised the importance of the Chairman of the District Panchayat for the implementation of development programmes at the District level. In order to assist the Chairman of the District Panchayat, there is a Chief Executive Officer at the District level. In the place of District Collector, the Chief Executive Officer post assists the Chairman of the District Panchayat, so the meaning for the decentralisation of powers at the District level is meaningful. This arrangement will also encourage the District Panchayat Members to play an effective role in the implementation of the development programmes at the District level.

In order to carry out the different functions of the District Panchayat an administrative machinery at the District level. The District Collector is the Inspector of Panchayats. He is assisted by a number of Officers in the District Head quarters. They are:

1. Project Officer (DRDA)
2. Personal Assistant (Panchayat Development)
3. Personal Assistant (Noon Meal)
4. Assistant Director (Panchayats)
5. Assistant Director (Audit)

At District level there is a District Rural Development Agency (DRDA). It is an autonomous body. The District Collector is the Chairman of DRDA. The District Panchayat Chairman is the Vice Chariman of DRDA. The Project Officer is the Additional Collector of the District and he utilizes the services of the Block Development Officers at Block /Panchayat Union level for implementing all the schemes at the District level. The Project Officer assists the District Collector DRDA in formulatiing and monitoring all the developmental schemes and schemes relating to poverty alleviation programmes. The Project Officer is looking after the functions with a team of Assistant Project Officers.

The Personal Assistant (Panchayat Development) assists the Collector in all the development works at the District level. The Personal Assistant (Noon Meal) assists the Collector in the implementation of Tamil Nadu Government Noon Meal Programme. The Assistant Director (Panchayats) looks after all Panchayat administration matters.

There is one High Level Committee at the District level for settlement of audit paras. This Committee is chaired by the District Collector. The Vice-Chairman is the Project Officer (District Rural Development Agency). The Assistant Director (Audit) is Member Secretary. The Assistant Director (Audit) looks after auditing of all Village Panchayats. He is the Co-ordinating Officer for Panchayat Union Councils and responsible for taking follow up actions of audit paras.

Municipal Commissioner

He is the administrative head of the Municipality. The Office of the Commissioner is filled both by promotion and by direct recruitment. There are two kinds of direct recruitment. One is by open competition and another from among the municipal servants with service of at least three years. Municipal managers, (Class I municipalities) Accountants and Revenue Officers, Township committee managers are also eligible for appointment as municipal commissioner. They must have a qualifying municipal service of at least three years. To be selected by open competition a candidate must have a university degree and must be of less than 30 years of age. Municipal Servants to be appointed as commissioners, must possess a University degree and must not exceed 45 years of age. Panchayat Extension Officers, Assistants in Rural Development and Local Administration Department, (with two years of service), supervisors in the Directorate of municipalities are eligible to be appointed as commissioner. These people should pass the Accountant Test I (Panchayat Development Account). The post of Commissioner is filled up in the order of twenty according to the number of vacancies. The list of twenty is as follows:

1. Municipal managers, Municipal committees, Revenue and Accountant in class I Municipalities.
2. Open competition from Graduates.
3. Extension Officer (panchayat).
4. Assistants in the Secretariat.

5. Supervisors in the Directorate of Municipalities.
6. Managers in Municipal and municipal committees, Revenue and Accountant officers in Class I municipalities.
7. Open competition.
8. Extension officers (panchayat).
9. Assistants in the Secretariat (RD & LA)
10. Supervisors in the Directorate of Municipalities.
11. Managers in Municipal and Municipal committees, Revenue Accountant Officers in Class I Municipalities.
12. Open competition.
13. Extension officer (Panchayat)
14. Assistants in the Secretariat (RD & LA).
15. Managers in municipal and municipal committees, Accountants and Revenue officers in class I municipalities.
16. Open competition.
17. Extension officer (Panchayat).
18. Assistants in the Secretariat (RD & LA).
19. Open competition.
20. Extension officer (Panchayat).

A commissioner is appointed in every municipality. He is appointed for a term of three years and can be removed. Appointed by the state Government, he is paid from the municipal fund. He is the full executive in the municipality. He executes all the policies and resolutions passed by the council. He prepares the budget and annual reports and submits them to the Government. He can attend the council meetings but has no right to vote or move resolutions. He exercises emergency powers to execute the urgently needed measures which should, however he approved in the next council meeting. The Municipalities have got senior experienced Officers as Commissioner.

Personnel systems in the Corporations

Let us now turn to the personnel system prevailing in municipal corporation. As we know the highest executive official in the Corporation is the Commissioner, and he is appointed by the State Government for a renewable period of three years. Generally commissioners are appointed from among officers of the Indian Administrative service, and they are appointed by the Government in consultation with the State Public Service Commission. The State Government is to withdraw the officer if required by a resolution adopted by the council by a simple majority 3/4ths. The High level Committee appointed in 1977 in Tamil Nadu suggested

that the Commissioner once appointed should serve at least for a period of three years, "so that he will have sufficient time to do substantial work for the Corporation". It is also suggested that the commissioner should be appointed by the State government in consultation with the Mayor and should be withdrawn at his instance. The committee strongly recommend that an I.A.S. Officer with an experience of 17 to 20 years should be appointed as commissioner.

Apart from the Commissioner the other important officers of the Corporation at the higher levels are drawn from the State Government or are deputed by the State government. These officers, namely, the Chief Engineer, Medical or Health officers, Education officers and others are appointed by the Corporation in consultation with the Public service Commission of the State and subject to confirmation by the Government. In Tamil Nadu such posts are classified as class I-A, and appointments to them are made by the State Government. As regards posts of similar status created by the Corporation with the approval of the State Government and groups as Class I-B and Class II posts. The corporation makes appointments in consultation with the Tamil Nadu Public Service Commission subject to confirmation by the State Government. Now the Health Officer, the Engineer and the Revenue Officer are appointed by the council and are the heads of the different departments working under the Commissioner. The High Level Committee of the Madras Corporation has suggested that the two categories of appointments, viz., those which are statutory and those which require the approval of the State Government should also be brought within the advisory jurisdiction of the Commissioner. In other words, the Government in making these appointments should consult the commissioner so that the appointees will develop a sense of loyalty to him and co-operate with him. The principle is that the chief Executive should have his say in the selection of his senior subordinates. In Andra Pradesh, there is a local government service under the State Government and the officers are appointed and controlled by the State Government. The Commissioner has the power to make appointments to subordinate posts but the limits vary a great deal from post carrying a maximum monthly salary of Rs.100 only. All other appointments are usually made by the Council.

The power to create all new posts vests in the council in Madras. The Standing Committee has the power to create certain posts with a minimum salary. In Madras, the creation of a post with a maximum salary exceeding Rs.300 requires the sanction of the State Government.

In Tamil Nadu a demand for a separate municipal public service commission has been made. The High Level Committee of the Madras Corporation has also underscored this demand. A completely separate municipal civil service has also been demanded in some quarters.

Model question for guidance

Bringout the Problems of Personnel administration in Local bodies.

Lesson - 19

Financial Administration in Local Government

Local Finance

The sources of local finance in India consist of rates and taxes, fee of various kinds, income from property and undertakings, and government grants. The municipalities have a large variety of rates and taxes which they may impose. The district boards, on the other hand, have had a much narrower scope in the matter of taxation. Another important difference between the municipalities and the district boards is, that while the former have the unlimited discretion in the rate at which some of their principal taxes like those on houses and lands may be imposed and are consequently empowered to vary and increase them as circumstances might require, the district boards are subject to rigidly defined maxima both in the matter of land cess and tax on property. Therefore, the district boards revenues are much more inelastic than municipal, and the boards have to depend almost solely on government grants for undertaking any expansion or improvement of their services.

The municipalities raise the bulk of their income from rate and taxes, while district boards rely on these sources only for about 1/3 of their receipts. The scope of taxation for district boards is extremely limited. The municipalities depend upon government grants much less than the district boards. This means that in practice, the district boards have much less financial independence than the municipalities. There is a great disparity in the per-capita income and expenditure of the urban and rural authorities. Municipalities raise and spend per head of their population about nine times of what the district boards do. The residents of rural areas are nine times worse off than the residents of cities in the matter of amenities of life provided by local bodies.

As far as the expenditures of local bodies are concerned, in the municipal expenditure public health occupies the first place, while under the district boards education is at the top. District boards spend a higher percentage of their income on roads and public works than the municipalities and a much smaller percentage on public health and medical relief. The incidence of expenditure per head of population both in the case of municipalities and district boards is miserably low in comparison with that of progressive local bodies in the west.

Financial Resources of Municipalities

1. **Sources of Municipal Revenues:** The principal sources of municipal revenue may be classified as follows:

   a. Revenue from taxation levied by the municipal bodies;

   b. Revenue from non-tax sources under the control of municipal bodies; and

   c. Assignment of shares of taxes levied and collected by the State Government and grants aid from the state governments;

Finances of the Urban Governments

The main sources of urban governments revenue are as follows:

1. Taxes levied by the urban governments
2. Non-tax revenue, including fees and charges, income from property under the control of the urban governments
3. State Grants-in-aid and public contributions. The urban governments is have power to tax the following taxes namely.
    1. Property tax
    2. Profession tax
    3. Tax on carriage and animals
    4. Tax on carts
    5. Tax on advertisements other than advertisements published in the newspapers
    6. Pilgrim tax
    7. Duly on transfer of property
    8. Additional tax on Buildings and lands and urban governments also undertake the remunerative enterprises to augment the resources of the urban governments. Then the state aid in the form of grants-in-aid to the developmental plan of the Urban Governments.

2. Structure of Municipal Taxation

Taxation powers of municipal Corporations: The enactments governing Municipal Corporations specify the taxes which can be levied by them in the Acts governing the earliest corporations Bombay, Madras and Calcutta. The power to levy takes by the Corporation is specified with reference to specific taxes individually mentioned.

Compulsory Taxes : Property Tax, Tax on Vehicles and Tax on animals.

Permissible (optional) Taxes : Tax on trades, professions, callings and employments, octroi or terminal tax, tolls, dog tax, betterment tax, tax on transfer of immovable property, tax on advertisements not being advertisements published in newspapers (rates to be prescribed by rules), theatre tax and any other tax which the State legislature has the power under the constitution to impose in the State.

Municipalities : The enactments governing municipalities also specify the taxes which can be imposed by them. In addition, they, also contain a provision that any other tax which the State Government itself may levy, may with the sanction of the government be levied by the municipalities. In some States, the maximum and minimum are specified for some taxes in the enactments themselves.

Sources of non-tax revenue

Revenue from non-tax sources comprise fees, fines, rents of municipal properties income from investments, and revenue from commercial undertaking and remunerative enterprises.

As for grants, the main purposes of grants are generally as follows:

1. ad hoc non-recurring grants to meet a part of the capital cost of water supply and drainage schemes, slum clearance, housing etc.
2. grants for the maintenance of primary schools where the State governments themselves have not assumed responsibility for those services.
3. grants towards the payment of dearness allowance to staff;
4. grants to meet part of the cost incurred on secondary school medical institutions, maternity and child welfare centers and public health measures such and anti-malarial and anti filarial operations;
5. grants towards the pay of certain officers such as health officers and engineers; and
6. general purpose grants in a few States to support municipal finances generally.

Revenue from Sharing of Taxes in Andhra Pradesh, Tamil Nadu, Karnataka and Coorg, the revenue from State Entertainment Tax a shared with the municipalities and corporations. Local authorities received compensation in respect of the motor vehicles tax collected by the State Government, the compensation is usually based on the average income derived by them.

Expenditure incurred by local bodies is of two kinds: i) expenditure met from the revenue of the year, and ii) expenditure met from the borrowed funds or loans. The later is generally treated as capital expenditure. The need for borrowed funds for municipalities arised from the irregular flow of income into the city treasury from the unusual expenditure demands.

The powers of local bodies to borrow from the public are specified by the State Government and such borrowing must be done only with the sanction of the State Government. The purpose for which a local authority can borrow on the security its funds are as follows.

1. to carrying out of any work which it is legally authorized to carry out;
2. the giving of relief and the establishment and maintenance of relief works in times of famine or scarcity;
3. the prevention of the outbreak or spread of any dangerous epidemic disease;
4. any measure which may be connected with or ancillary to any purposes specified in the Act;
5. the repayment of money previously borrowed in accordance with law.

B. Financial Management

In India the proper roles of municipal budget and budget execution are not fully realised. The municipal budget generally suffers from many defects and deficiencies which may be summed up as follows:

a. the methods of budget making are slipshod;

b. by and large the municipal budgets are ill-made, shabby with no clear cut fiscal policy underlying them;

c. they are not passed and okayed by external authorities on schedule

d. they are not based on definite work programmes;

e. they have neither the proper form nor adequate content;

f. figures of income and disbursement are generally inflated;

g. Even in the most advanced municipal bodies in India, the techniques of budget formulation and budget-execution as well as long term capital improvements budgets are wanting; budgetary classification of items of receipts and heads of expenditure are often confusing;

h. Clarity in the concepts of revenue expenditure and capital expenditure is lacking; and

i. In short, effective, efficient municipal budgeting on sound scientific lines has not yet emerged in this country.

The principal methods or techniques of budget execution are:

a. a system of periodic allotments geared execution;

b. a system of periodic departmental reports designed to show work done as well as money spent;

c. a budgetary accounting and internal auditing;

d. a hard hitting, bargain basement purchasing and salvage system;

e. a personnel system which determines not merely that a position is open and that money is available, but that there is a job to be done.

f. A comprehensive inventory system for both central items and current supplies; and

Regarding the Problem of Finance in Urban Government

The municipal finances are still lacking in a sound base which as could hold the potentialities of national expansion of existing revenue and also to enable the building of a more impressive superstructure thereon. One cannot overlook the fact that the division of functions between the municipalities, municipal corporations and that state government and the division of allocation of revenues in consonance with the division of the functions has

been in a flux for a long time. So the distinction between charges for services rendered and taxation for defraying municipal expenditure should be kept clear. The urban governments in Tamil Nadu can have an assured future only they are endowed with ample funds to embark upon projection to the public good.

Causes of the Low Income and Expenditure of Indian Local Bodies

The most important cause of the low Income of Indian local bodies is undoubtedly the general poverty of the country. India is 10 to 20 times poorer as compared with the prosperous countries of the West. Till the wealth and income of the Indian people increase as a result of economic and industrial development of the country, her taxable capacity is bound to remain low.

A second cause responsible for the poverty of Indian local bodies has been the ill distribution of resources, as between them and the higher authorities-the state governments and the Government of India. The higher governmental authorities in India have appropriated to themselves some of those sources of revenue and objects of expenditure, which in other countries are entrusted to local bodies. Taxation of land, for example, is largely left to the local bodies in other countries, while in India it is mainly appropriated by the state governments. On the expenditure side, services like police, certain aspects of education, etc., are state subjects in India, instead of being local as in many other countries.

Thirdly, we must take into account also the unwillingness of the local authorities to impose taxes even upto the limit that is feasible. Thus in the case of tax on house and lands, not only the rate at which it is levied, but also the valuation on which it is assessed, is kept very low. The causes of this are many, e.g., the incompetence and dishonesty of the assessing staff as in the case of tax on houses and lands, the predominant influence in the local body a section of the class. But the fact remains that Indian local bodies have not made full use of taxation powers vest in them.

Finally, we must take into account the comparatively undeveloped character of trading services and enterprises under Indian local bodies. These enterprises in other countries swell both the revenues and the disbursement of local bodies.

Moreover, one of the greatest obstacles in the development of local enterprises and services in India has been lack of due facilities for borrowing. Under the Local Authorities Loans Act, 1914. Indian local bodies as a rule cannot borrow for terms longer than 30 years, except with the special sanction of the Government of India. For borrowing in the open market also, similar sanction is required in regard to loans exceeding Rs.5 lakhs. The purpose of local loans in India is connected with the following objects, namely, water supply, drainage, markets, roads, housing etc. Government grants in India have generally been determined in the past on the basis of the expenditure of the local bodies for the time being.

Proposals for enlarging the Resources of Local Bodies

The problem of improvement of local finances has been studied and reported upon by a large number of commissions and committees from time to time. The Taxation Enquiry Committee made the following recommendations to add to the resources of the local bodies:

1) The land revenue should be standardized at a low rate of 20 or 25 percent of the rental to allow greater scope for local taxation of land. This proposal was of outstanding importance for rural authorities which depend for the revenue mainly on land cess.

2) The state government should make over to the urban bodies a large share of the ground rents in towns.

3) Municipalities should be enabled to tax advertisements.

4) Special assessments should be resorted to both by urban and rural authorities to finance improvement schemes.

5) The scope of taxes on entertainments, betting, etc., should be extended and their proceeds should be made over to the local bodies.

6) The tax on circumstance and property, trade and professions, etc., should be improved, specially in regard to the machinery of their assessment and collection.

7) Motor vehicles should be taxed by states and the yield of the tax should be distributed among local bodies.

8) In selected areas, local bodies should levy a fee for registration of marriages.

9) The scope of grants-in-aid from government should be extended to include services of nation importance and these grants should be based on some simple and easily intelligible basis.

10) Where possible Octroi should be replaced by direct taxation. e.g., increased taxation of houses and lands, levy of profession tax or sales tax and the like.

Local Finance Enquiry Committee, 1950

This committee was appointed by the Government of India to make recommendations on the problems of local finance. After an exhaustive investigation, it made the following nine important recommendations:

1) The net proceeds of terminal taxes (item I of the Union List) and of a number of taxes from the state list should be made available exclusively for the local bodies. The new items, (the transfer of the proceeds of which from state government to local bodies was thus recommended) were taxes on mineral rights, on sale of electricity, or advertisements, taxes on goods and passengers carried by road or waterways, capitation taxes and taxes on entertainments.

2) The property taxes should be improved and a minimum compulsory rate should be laid down for them. The state government should withdraw from this field. The machinery of assessment should be improved. If government property is exempted from local taxation, the government should compensate the local bodies for the loss of income thus caused.

3) The government should see that the income of rural local bodies from the land cess should not suffer on account of abolition of Zamindari.

4) Terminal tax should be transferred from the union to the state list. Proposals to levy it by local bodies should be favourably considered by the Government of India.

5) The limit of profession tax for the local bodies should be raised from Rs.250 to 1000.

6) The liability to railways to pay both general and service taxes of local bodies should be recognized.

7) Taxes on mines and quarries on the basis of the output, should be permitted.

8) Machinery for the collection of local taxes should be improved.

9) The grants-in-aid should be retained only to redress the inequality of resources.

Taxation Enquiry Commission Report 1954 - 55

Volume III of the Report of this Commission dealt with the problems of local finance and made the under-mentioned recommendations.

1. A sound system of local finance should as a rule, rest on foundation of local taxation.

2. Certain taxes should be reserved solely for the local bodies, even though formally they figure in the state list in the Constitution. These taxes are the usual ones higher to exploited by the local bodies, e.g., taxes on lands and buildings, animals and vehicles, professions and trades, etc. The tax on advertisements other than in news-papers should also be added to the list.

3. One fourth of the proceeds of Motor vehicles tax and 5% of land revenue should be assigned to the local bodies.

4. Local bodies should be encouraged to take up public undertakings of a Commercial nature so as to augument their non-tax resources.

5. Grants-in-aid should consist of a basic grant for general purposes sufficient after taking into consideration of their own resources, to enable local bodies to meet their obligations. This grant should be assured over a reasonable period of years, 3 or 5. In addition, there should be specific grants of particular services subject to the conditions of a minimum standard of efficiency.

6. A liberal loan policy and a more general system of government guarantee of municipal loans should be followed.

7. The land cess and duty on transfer of property are the only taxes suitable for rural bodies. Any additional finances required by them should be given by way of grants-in-aid.

8. Tax administration of local bodies should be improved and to that end, chief executive officers should be appointed to all municipalities. Their selection and appointment should be in the hands of the government.

Local Finance under Balwantrarai Mehta Committee Scheme

The sources of income for the village Panchayats under the Balwantrarai Mehta Scheme would be after the existing pattern. They would consist of house tax, taxes on markets and vehicles, Octroi or terminal tax, income from cattle pounds fees, for registration of animals sold and grants from the Panchayats Samitis. Selected Village Panchayats might be entrusted with the work of collection of land revenue, and be paid a commission for it. It would received from the Panchayat Samiti a statutorily prescribed share, upto ¾ of the net land revenue assigned to the latter.

The Panchayat Samitis would have the following sources of revenue.

(i) A specified percentage of land revenue collected within the block.

(ii) Cess on land revenue.

(iii) Taxes on professions, trade, etc.

(iv) Surcharges on duty on transfer of immovable property.

(v) Net proceeds of tolls and leases.

(vi) Pilgrims tax, tax on entertainment, primary education cess proceeds from fairs and markets.

(vii) Share of motor Vehicles Tax.

(viii) Voluntary public contributions.

(ix) Grants made by the government.

(x) Rents and profits from the property.

Besides these, all central and state funds spend in a block area would be assigned to the Panchayat Samitis to be spent by it directly.

Finance of Panchayats

The Panchayats have to perform a variety of functions. This involves a lot of expenditure. The Grama Sabha (General body) passes the budget which is an estimate of the Income and expenditure. The income from various sources go to the fund called Gaon Fund, for example, the proceeds of all taxes imposed by Grama Sabha, the sale proceeds of all dust, dung, and refuse including the dead bodies of animals, grants from the state government and loans.

Panchayats are vested with the power of levying a number of taxes. House tax, profession tax, tax on property and on vehicles are the taxes which are most commonly levied. Other sources of income include fees from regulatory and remunerative enterprises such as markets, slaughter houses and cattle pounds. State grants and loans form important sources revenue. It is generally felt that the sources of income of the panchayats are very inadequate for meeting the responsibilities imposed on them. A number of suggestions have been made to increase the incomes of the panchayats through the reports of the above mentioned Committees and commissions.

Finance of Panchayat Samiti

The Panchayat Samitis are entrusted with development functions in all the states. It is vested with specific executive responsibilities in fields like primary education, health and sanitation. In many states the samiti approves the budget of the village panchayats.

The finance committee of the samiti has to prepare a budget which contains the estimates of incomes of income and expenditure during a financial years which begins on the 1st April and ends on the 31st March following. The Samiti imposes taxes and levies fee. It may levy fee for studying in schools, may charge a fee for any licence, section or permission. It may raise a loan with the permission of the higher authorities. Grants-in-aid are made available to Samiti. To increase the income of Samiti the reports of the already described committees and commission gave some suggestions.

Finance of the Zilla parishad

The zilla parishad, like any other body, needs money for the discharge of its functions. Therefore, the appropriate committee of the zilla parishad prepares the budget which contains estimates of income from all sources and estimates of expenditure under the various heads. The budget is placed before the zilla parishad for consideration The zilla parishad can make in the budget such changes as it thinks necessary. The budget, after it has been adopted by the zilla parishad is sent to the commissioner of the division. He can make such changes as he deems fit. After the budget as been finally approved, the zilla parishad proceeds to collect the money on property. But, the parishad has not unrestrained right to impose tax. The Act lays down that property tax can be only upto certain percentage of the assessed value of the property. Tax can also be imposed for doing business. Another sources of incomes is fees. The parishad may charge a fee to be fixed by bye-law or by public auction or by agreement for the use of any immovable property vested in the zilla parishad. Licence fee may be charged for granting permission to do a particular thing, for example, selling liquor. Fees may also be charged for studying at schools and using of libraries. Market fees may charged for the right to expose goods for sale in a market for the use of any building or structure therein. Fees may be levied on the registration of animals sold in the market. Yet another source of income is toll. A toll tax is imposed on vehicles or porters bringing goods for sale in the market. This is a good source of income. Also, grant from the state government is a very valuable source of income. They received grant-in-aid from the state government. They cannot function properly without it. Lastly, the zilla parishad may raise loans in the open market but this power is subject to a great deal of restrictions.

Criticism and suggestions for the improvement of Local Finance

Some of the proposals of the committees are exceedingly useful and must be adopted if the local bodies are to have adequate funds.

Ability to pay is the true criterion of allocating tax burdens according to present-day notions of social policy. The local bodies should so regulate their affairs that in course of time, they should the able to depend largely, if not wholly, on their own income from property and undertakings instead of taxation. For this, the following consideration can be pointed out.

Firstly, indirect taxes like Octroi should be abolished. These taxes tend to fall on the rich and poor alike, and constitute a burden on trade. Some of our states do not make use of it, and in others also it used to be the accepted policy of the government to abolish it gradually.

Secondly, in urban areas where Octroi is in force, the scope of the tax on houses and lands should be extended to make good the loss resulting from its abolition. The present tax on house and lands has no reference to the means of the occupier or owner. The result is that the rate at which it is imposed and its yield are very low. Since the assessment of these taxes at present is very unsatisfactory, it is suggested that they should be replaced by a local income tax. But there are certain objections of principle against a local income tax.

Thirdly, local bodies should be enabled to tax increments in urban land values at a fairly high percentage. This increase is created by the growth of the community and the civic amenities provided by the local bodies, and as such it rightly belongs only to them.

Fourthly, in the case of the rural authorities, it is imperative that they should have much greater freedom to tax land than at present.

Two other measures also appear to be necessary to rehabilitate local finances. These are applicable to urban as well as rural authorities. Firstly, the provisions of the Land Acquisition Act must be so liberalized as to permit local acquisition of land for general, as distinct from specific, purposes only. The object is to make the municipalities and the rural local bodies and corporations own buildings and land. This will not only transfer to them the rent income but will also enable them to improve housing and agricultural conditions more effectively than they can do at present. Fair compensation to the owners must always be paid.

Secondly, more liberal conditions for local borrowing must be provided. Loans for larger terms should sanctioned. Rate of interest must correspond to those prevailing in the market. Borrowing in the open market should be more widely permitted.

Thus provided with land and capital, local bodies will be able to embark on extensive schemes of housing, town and country-planning, scientific agricultural farms, power supply and transport undertakings, and the like. These will help their finance and contribute at the same time to the social and economic well-being of the country.

Constitution of State Finance Commission

Constitution of State Finance Commission

In Tamil Nadu, on the lines of 73rd Constitutional Amendment, 1992, State Finance Commission which came effect from 24.4.93 earlier than that fixed for the 74th Constitution Amendment Act 1992, viz, 1.6.93.

Constitution of State Finance Commission

According to the mandatory provision contained in Article 243-1 introduced by the 73rd Constitution Amendment Act 1992, the State Government has to constitute a State Finance Commission in order to suggest ways and means for strengthening the finances of the Rural Local Bodies. Article -243-Y of the Constitution introduced by the 74th Constitution Amendment Act 1992 enjoins that the State Finance Commission constituted as per Article 243-1 should also include the urban local bodies in its ambit of functioning. The composition of the Commission is left to the discretion of the State Government. The Constitution of the State Finance Commission has been specified both in Tamil Nadu panchayat Act and in Tamil Nadu District Municipalities Act.

The State Finance Commission is to be constituted before the commencement of every term of urban local body, conduct its deliberation, consultation enquiry etc., and make suitable recommendations and submit report to the Governor of the State who will arrange to place the report on the table of the State Legislative Assembly with the report of action taken by the State Government on the recommendations of the State Finance Commission. Upon the presentation of the report to the Governor, the commission will stand wound up. In this process the State Finance Commission may take about 2 years or so to complete its mission.

In Tamil Nadu, the first State Finance Commission was constituted in G.O, Ms.No.350, Finance dated 23.4,94 the following officials and non official as members.

1. Thiru R. Arumugam, I.A.S., (Retd.) - Chairman
2. The Director of Municipality - Member Administration
3. The Director of Rural Development - Member
4. Thiru Kuzha Chelliah (Ex.MLA) - Non official member

Thiru Rameshram Mishra, IAS., who was later appointed as Member Secretary continued till its winding up. The Commission was requested to make its recommendations for a period of 5 years commencing from 1997-98 to 2001-2002. The Commission presented its report on 29.11.96 to the Governor of Tamil Nadu.

Recommendation of the State Finance Commission

The Commission made its recommendations in two parts, viz., general recommendations applicable for both the types of local bodies - Rural and Urban and specific recommendations in respect of each lever of Local Bodies viz., District Panchayats, Panchayat Union Councils, Village Panchayats, Municipal Corporations, Municipalities and Town Panchayats. The brief details of recommendations are as follows:-

1.	General Recommendation	-	13
2.	Recommendation relating to		
	a) Municipal Corporation	-	136
	b) Municipalities	-	117
	c) Town Panchayats	-	38
			291

The report of the State Finance Commission was placed before the State Legislative Assembly on 28.4.97 along with the report of the Government showing the details of action taken on the recommendations (i.e.) specifying what recommendations were accepted, what were accepted in principle and what were not accepted.

Acceptance of Recommendations by the Government of Tamil Nadu

So far as 13 general recommendations are concerned the Government have passed orders as follows: The order ~ took effect from 1997-98.

1. Devolution of share of taxes to the Local bodies: (Recommendation No.5.5.20):

The Government have decided to share its tax revenues (excluding the Entertainment Tax) at 8% of the total amount every year with the local bodies (Rural and Urban bodies are 13741 put together). This sharing pattern would continue upto 2001-2002 unless the Government decide to increase the percentage from 8%.

ii. Payment of Incentive and Equalisation Grant: (Rec.No.5.5.21)

The Government have accepted the concept of payment of incentive and equalisation grant. Certain local bodies which are at some disadvantage compared to other local bodies on account of devolution and on account of terrain or natural location (coastal and hilly trail factor), may need more funds to compensate increased rate of expenditure. Some local bodies have to be given some incentive in appreciation of the taxation efforts. However, this

grant will be part of 8% devolution of grant to local bodies. This is fixed at 15% out of 8% devolution grant. Only the balance of 85% out of 8% is to be distributed to the Rural and Urban Local Bodies in the ration of 55:45

iii. Apportionment of devolution of funds from state taxes to the Rural and Urban Bodies (Rec.No.5.6.12) The State Finance Commission recommended a sharing ratio of 60:40 between Rural and Urban Bodies. However the Government agreed to have this ratio at 55:45.

iv. Periodicity of release of devolution grant to the Local Bodies (5.6.21)

The devolution grant will be released to the Local Bodies at 4 equal instalments.

v. Assignment of Entertainment Tax to the Local Bodies (2.2.100, 2.3.29 (1) 2.422, 2.5.26, 2.5.27, 12.6.29)

The Government agreed to pay 90% of the total collections to the Local bodies retaining 10% towards the collection charges. Formerly, the position was as follows:

a. Ratio of sharing of devolution grant to the various levels of urban bodies (5.618)

Town Panchayats 38% Out of 45% of 85%

Municipalities 31% Out of 8%

of the devolution

Municipal Corporations 31% Grant.

(The above sharing pattern is subject to slight change in any year as the circumstances may warrant)

Ratio of sharing of devolution grant to the Rural Local Bodies (District Panchayats, Panchayat Unions and Village Panchayats. (5.6.18)

This is fixed at the ratio mentioned below:-

District Panchayat 10% Out of 55% of 85% out of 8%

Panchayat Union 45% Devolution grant.

Village Panchayat 45%

However, it is possible that the above ratio may undergo slight change in any year as the circumstances warrant.

Distribution of grant vertically among the various level of rural local bodies (5.6.14, 5,6.15, 5.6.16)

The State Finance Commission has recommended certain weightages in the distribution of grant vertically among the three levels of Rural Local bodies as specified below : However, the Government have agreed to adopt weightage of total population and Scheduled Caste & Scheduled Tribes population during the first year on account of administrative reasons. The weightages for other years could be considered on any year to year basis.

	Local Bodies	
A.	Village Panchayats	30%
	Panchayat Unions	30%
B.	All Panchayat Townships, Municipal Townships & Municipalities	65%
C.	Corporations	65%

Distribution of grant vertically among the various level of urban local (d5.6.19)

The State Finance Commission has recommended certain weightages in the distribution of grant among the 3 levels of urban local bodies as specified below: However, the Government have agreed to adopt weightages of total population and Scheduled Caste / Scheduled Tribes population during the first year on account of administrative reasons. The weightages for other years could be considered on year to year basis. However in general, the suggestions of State Finance Commission for the allocation mechanism have been accepted.

District Panchayats:- To be distributed on lump sum basis every year.

Panchayat Unions and Village Panchayats:

Weightage Panchayat Union Village Panchayat

a.	Total population	50%	50%
b.	Scheduled Caste / Scheduled Tribes population	25%	15%
c.	Financial viability of Panchayat Unions	25%	
d.	Rate of House tax	15%	
e.	Deficiency in the maintenance of core civic service infrastructure	20%	
	Total	100%	100%

Urban Local Bodies	Municipality & Corporation	Municipal	Township
a) Total population	40%	45%	45%
b) Scheduled Caste & Scheduled Tribes population	10%	10%	20%
c) Financial indicator - per capita receipt under own sources	15%	15%	15%
d) Service indicator-per capita expenditure on core services	35%	30%	20%
Total	100%	100%	100%

(Note: The term core service includes the following service.

a. Drinking water

b. Roads

c. Street lighting

d. Sanitation/sewerage

e. Solid waste management

f. Storm water drains

Basis for the Distribution of Central Tenth Finance Commission Grant (TFC)

Article 280 of the Constitution enjoins on the President to constitute a (central) Finance Commission once in 5 years for the same purpose to which State Finance Commissions have been constituted. One of the functions of this Central Finance Commission is to recommend amounts to be devolved on the States and Local Bodies from the union Government's revenue. Based on its recommendations the Government of India are allocating separate grants for strengthening the finance of the Rural and Urban Local bodies every year for supplementing the efforts of the Local Bodies in providing services to the people. The Government have decided to distribute the Tenth Finance Commission grant to the Rural and Urban local bodies on the basis of policy decision to be adopted for each year. However, this allocation was on adhoc basis for urban local bodies by the Xth Central Finance Commission. The XIth Finance Commission has, however, been given a specific power to look into the finances of all local bodies and make its recommendations.

Note: The details of allocations of Tenth Finance Commission grant to Tamil Nadu State are given below: (Figures in crores)

Year	1996-97	1997-98	1998-99	1999-2000
Rural	71.83	71.83	71.84	71.84
Urban	28.88	28.88	28.88	28.88
Total	100.71	100.71	100.72	100.72

For the year 2000-2001 and equal amount is likely to be distributed.

Payment of Non Statutory Grants to The Local Bodies

The State Finance Commission has recommended the continuance of the existing grants-in-aid to the Local bodies for specific purposes and also recommended the payment of D.A subsidy. The Government have accepted to continue to pay the existing grants-in-aid viz. Maternity grant, Dispensary grant, and Irrigation grant. The other Grants such as, Family Welfare grant, Lighting grant, water supply grant, Dustless surface grant, Road maintenance grant etc. will be part of the devolution grant. The Government have, however, not accepted to pay D.A. subsidy grant.

Payment for Pension Contribution (2.8.31)

The State Finance Commission has recommended to the Government for the payment of difference between the 20% contribution now payable by the local body and the total pension payment. The Government have stated that the local bodies can continue to pay the existing rate of contribution to the pension fund and in case the local bodies fail to pay this contribution, the Government would pay that amount out of the devolution grant with interest, if any payable.

Revenue from Mines and Minerals (2.5.33)

The State Finance Commission has recommended the release of arrear amount due to the local bodies under the above head, to credit the future amount to the account of the local body directly by the lessees themselves. The Government have agreed to the mode of adjustment of lease amount of mines and minerals as recommended by the State Finance Commission but have declined to share the revenue from major minerals with the local bodies.

Other Specific Recommendations made in Respect of Rural and Urban Local Bodies

It has been mentioned above in pars 4.4 that the State Finance Commission has made 291 recommendations. Out of these recommendations, the Government have agreed to accept 107 recommendations in principle and have rejected 5 recommendations. Orders on most of

these accepted recommendations have been issued. Further the Government have also stated that the remaining recommendations are under consideration of the Government. They have further promised that any orders of the Government to be taken on the recommendations pertaining to the Corporations would be made applicable to the other Rural and Urban Local Bodies (viz. District Panchayats, Panchayat Unions, Village Panchayats, Municipalities and Town Panchayats). Many of the recommendations of the State Finance Commission relating to policy and system changes have been taken into consideration by Government while enacting the new common Tamil Nadu Urban Local Bodies Act 1998.

It is pertinent and worthwhile to point out here that the Government cannot fully finance the urban local body's expenditure to the extent of their expectations. They should strive hard to tap or mop up additional revenues from tax sources by raising rate of levy, plugging up of leakages of revenue which may be manifest in all local bodies without exception and to explore possibility of increasing revenue from the existing non tax sources including fees for building licence, layouts and also detect and explore new items of revenues for which the Urban Local Bodies Act has thrown many avenues and opened ways for inventing more sources by properly interpreting the existing provisions, if necessary, by recourse to seeking legal opinion in the case of doubts on the part of the local body. What is required is will power to invent new sources of revenues and to augment the revenues from the existing sources. Depending on the State alone for augmenting the local bodies' income without taking measures simultaneously for augmenting their own sources adequately and fully, will only increase the state taxes. It may not be fair for the local bodies to thrive on the woes of the state, which have to increase the rates of taxation and expand tax base at the displeasure of the public. The more and more undue dependence of the local bodies on the State's devolution of grants will greatly and seriously affect the State's responsibilities in attending to the major developmental and welfare activities which the local bodies can never think of taking upon them, leave alone their lack of expertise and manpower. With the increase of population and desire of the public to expect countless matters, benefits, facilities, assistance, etc. from the State and their controlled agencies, the financial burden of the State and the local bodies has also increased manifold already. Instead of letting the Government alone to face the wrath of the people against the periodic increase of taxation, the local bodies must willingly come forward to increase the rate of taxation and fees atleast to take care of their O and M cost and augmenting its own sources by convincing the rate payers who are nearer to the Local body and hence convincing them should be easy to the elected representatives in a small area of contact, about he need for the increase of their resources to fulfill the never ending demand (and there can be no end also) or concentrated and quality development and improved / upgraded facilities and amenities. The beneficiaries must be made to understand that every facility or amenity has a price to pay and nothing is available tree in this world.

Second State Finance Commission

Government have recently constituted the Second State Finance Commission, which will make its recommendations for the next five year period of 2002-2003 to 2007-2008.

Model question for guidance

Discuss the problems of Local Finance in Tamil Nadu.

Lesson - 20

State control over the Local Bodies

The term central control means the control of the central or state government on a local authority. The central government shall exercise central control over a local authority if it has been created by an Act of Parliament. For example, the Government of India, exercises central control over the Municipal Corporation of Delhi, and the New Delhi Municipal Committee. On the other hand, the state Government shall exercise central control over local bodies which have been created by Acts of state legislature. For example, the Government of the state of Tamil Nadu exercises central control over Panchayats, Municipalities and Municipal Corporations in the state. The terms "central control", government control", "state control" and "central-local relationship" have the same meaning.

The need for State Control

The system of local government is found all over the world. But nowhere local authorities, enjoy autonomous status. Local authorities cannot be independent. So a very close relationship exists between the authority exercising control and the local units.

There are several reasons for state control. In the first place local units are deficient in knowledge as compared to the state government because of the small area which they administer. No local authority can match the state government in the range of its experience and information. Second inefficient neighbouring local units may make a local authority lazy which may ruin the peace, prosperity and health of the inhabitants. State control is necessary to maintain a reasonable degree of efficiency in local administration. Third, even within the local community powerful interests may operate against its good. As such, it becomes necessary for the outside authority to save the community against such influences. The state authority is above the battle waged between various interests in the area, and as such is in a position to act as an umpire. Fourth, it is human nature to be reluctant to self-taxation. There are schemes of social betterment which would not be adopted by local bodies until there is pressure from above. Fifth some areas are poor, and, therefore, they cannot afford to have amenities enjoyed by other areas. The central authority which is concerned with the well-being of the nation as a whole gives more grant-in-aid to poor areas with a view to equalising services in all parts of the country. Sixth, central authority is necessary for maintaining a certain amount of uniformity in local administration because it is conducive to efficiency.

It is generally recognised that there cannot be a uniform degree of control over all types of local government units because they vary in powers and functions and have different needs and problems. The general principle is that higher the type of unit lesser is

the control exercised, for example, the control over municipal corporations is less than on municipalities. Further the needs and problems of the cities are different from that of other towns, and as such, call for special treatment.

Types of Control

The Control exercised over local authorities is of three types, namely, parliamentary, administrative and judicial.

First of all we shall discuss the parliamentary control. The States can establish any kind of local unit in their areas. The Corporations in the State are established by state legislatures. All the corporations in the state are governed by the respective Acts. Similarly, Municipality and Panchayats have been established in different parts of the State, by Acts of Municipality and Panchayats.

The Act which creates a local authority clearly lays down its organisation and functions. For example, it prescribes the method of election of the councillors and their term of office, the mode of having a mayor or chairman or president and his powers and lays down the compulsory and optional functions of the local authority. The local authority has to move within the times prescribed by the Act.

In the above mentioned lines we have discussed the parliamentary control over local authorities. The following is the administrative control over local authorities. In Tamil Nadu, in most of the cases it is the Department of Rural Development and Municipal Administration and Water Supply which exercises control over all local units.

Executive (Administrative) Control

Executive (administrative) control involves a kind of oversight by an executive department of the Government acting through its agents. Government Departments have no over-all control of the work of local authorities. All formal control must be specifically authorized by state. Within the limits of authority powers and control a local authority is free to do as it pleases.

Present Pattern of Administrative Control

The powers of direction supervision, and control over local bodies vested in the State Government are more or less similar, and may be grouped under the following heads :

I. Powers of creation, constitution, supervision, suspension and abolition.

II. Powers over personnel i.e.,

   (a) office bearers and members; and

   (b) municipal employees.

III. Financial powers in regard to -

(a) taxation;

(b) budgets;

(c) audit;

(d) loans;

(e) grants; a d

(f) other forms of financial control.

IV. Powers of direct action

I. Powers of creation etc.

The State Government alone can create a new or alter the territorial limits, or abolish and existing Panchayat or municipality. The same control is exercised in the panchayats also. If an municipal council or corporation is in its opinion incompetent; or a persistent defaulter in the performance of its duties or guilty of exceeding or abusing its powers the Government can dissolve it or supersede it for a period. In the event of supersession the Government appoints a person or persons to carry on its duties till the council is re-constitute. The State Government also fixes either number of members and the seats to be reserved for Scheduled and Scheduled Tribes, subject to the minima and maxima prescribed by the law.

II. Powers on Personnel

The Government may remove any office bearer or a member of local body on any of the grounds specified by statutue and disqualify him for election for a period.

Principal powers of the Government over local bodies are power to prevent extravagance in establishment; power to demand punishment to an employee (negligent in the discharge of his duties, and power to demand) dismissal of an unfit employee; power to create State wide cadres of certain key municipal services and to prescribe their conditions of service; power to direct a municipal council to appoint an executive officer etc., power to approve appointment, salaries and conditions of service of specified officers like executive officers, health officers etc.

III. Financial Powers

a) Taxation

Main powers are :

(1) sanction of the Government is required for the imposition of certain taxes;

(2) power to require the municipal council to levy taxes;

(3) power to exempt from taxation;

(4) power to suspend or prohibit or remedy a tax unfair incidence or injurious to the interest of the general public;

(5) every resolution of a council reducing or abolishing and tax requires confirmation by the Government.

b) Budgets

The local Government councils indebted to the Government, require the sanction of the Government. The local bodies are required to maintain such cash minimum balance as may prescribed by the Government. It also frames rules regarding the form and content of budgets.

c) Audit

Accounts of local bodies are audited by the auditors appointed by Government. It also prescribe accounts, codes and torms.

d) Loans

Control of borrowing by local bodies is a potent instrument of control. Loans both Governmental and non-Governmental require sanction of the Government. This control is not merely control over actual objects for which the loan is needed. It is a general control over local financial administration for it brings the whole financial position of a local authority under review.

e) Grants

Government also exercises control through the system of grants. Detailed control is a feature of specific grants. It is a firmly established principle that if the State Governments makes grants of money to local authorities, then it should see that the money is properly spent and conducts its affairs efficiently and economically. A grant can be reduced or withheld if the local authority fails to maintain a reasonable standard of efficiency of grant-aided service. Grants are thus one of the most potent weapons of controlling local authorities for municipal bodies cannot refuse grants no matter what the conditions are.

Other forms of financial control

The Government also controls investment of surplus municipal funds. Its sanction is quired for investing such funds. A local authority can invest surplus funds only in such cheduled Banks as are specified by the Government. Application of the municipal fund beyond ıe limits of the municipality requires the sanction of the Government.

V Powers of Direct Action

The government can call for information, accounts, reports, statements from a local authority. It may prohibit the execution or further execution of a resolution or order passed by the local bodies on any of the grounds specified by the statute. In a municipal council makes default in the performance of a statutory duty or a lawful direction it may fix a period for the performance of that duty, and if the duty is not performed can entrust it to a person appointed by it and recover the cost from the local authority.

The State Government has power to appoint Inspectors for advising, assisting and supervising the work of municipal councils. The Commissioner or any other officers appointed by the State Government may inspect any municipal immovable property, institution under its control or management work in progress under its direction and record observations for the consideration of the council. The Government may also order an enquiry into any matters concerning municipal administration and after considering the report of the inquiry give such directions or pass such orders as it considers necessary and municipal council is obligate to comply with such orders and directions.

Other clauses for a administrative control are :

a) control through regulation generally by the rule making power;

b) confirmation of byelaws : The byelaws create penal offences and must satisfy judicial tests as to validity. The Department attempts through the use of model byelaws to secure measure of uniformity in physiology and substance.

c) Approval of schemes : Through the approval of plans and proposals of schemes, the Department exercises considerable influence in the way in which are planned anc administered.

d) issue of directions.

e) Appellate jurisdiction : In a number of statutes a right of appeal against a decision of local authority lies to the Government whose decision is final and binding.

Also in settlement of disputes between local authorities etc.

f) consent to individual acts of a local authority in cases where the consent of department is required before and act can be done by local authority, e.g., sale or lease of land etc.

g) control through tendering advice, legal, administrative and technical.

Agency for Administrative control

There is almost a uniform pattern of the agency for administrative control over municipalities and Panchayats. Various technical departments of the Government exercise direct control over the relevant activities of municipal bodies through their fixed officers. On the activities related to general municipal administration the State Local Government Department exercise control through the agencies of Directorate of Rural Development and Directorate of Municipal Administrations. Municipal Corporations are, however, under the direct administrative control of the Government, and the Cantonment Boards are under the administrative control of the Defence Department of the Central Government.

Judicial Control

Legislative control over local authorities is safeguarded by effective judicial control. The Courts act as watch-dogs over the local authorities. The Government Departments can exercise such formal control over local authorities as is specifically authorized by statute. As Prof. Jennings aptly said, "The Ministry may be the watch-dog of local Government, but some body has to watch the dog". The role is assigned to the Courts.

The Courts are not, however, self-motive; they act when moved by an aggrieved litigant. The jurisdiction of the courts is attracted to restrain any acts of a local authority which are ultra vires. Local authorities are also liable for civil wrongs and breaches of contract in their relations with the individual citizens or those who do business with them. In sum, the control of the Courts over local authorities manifests itself in the following three classes of cases :

(i) where the authorities go beyond the powers granted to them by statute (i.e., commit ultra vires acts);

(ii) where the authorities are not performing the duties imposed upon by statute; and

(iii) where the Courts exercise subject to the appeal to the Courts.

Defects and Deficiencies in the present patterns of State Supervision

While the legislative control is supreme, and the courts play an important role in controlling local authorities in the exercise of their powers and also assisting them in the administration of local Government.

The present patterns of administrative control suffer from serious defects and deficiencies. These may be summed up as follows :

(a) The present administrative control is formal and negative rather than constructive and positive.

(b) The Local Government Department has no field agency to provide continuous guidance to local authorities.

(c) The elected representatives of the people cannot bring into full play local interest and initiative because of the mass of controls, checks and counter-checks which hedge local government activity;

(d) In some sectors of municipal administration, administrative control is so meticulous and minute as to impair the autonomy and self-reliance of municipal councils;

(e) Powers of control are often used to rarely that they do not have a sufficiently deterrent effect on the local bodies;

(f) There are cases of genuine neglect or dereliction of duty or abuse of powers on the part of local bodies which cannot be dealt with under the existing law, while resort to dissolution or supersession would be too drastic;

(g) Administrative control is neither efficient nor effective;

(h) Inspection by State officials is not efficient and effective.

The judicial control is not very effective.

There are several reasons for this.

(i) People may not understand the law and as such may not go to the courts for remedying a situation.

(ii) A cure by judicial action is not only expensive but also very time consuming.

(iii) Action is possible only when the offence has been committed.

(iv) There is hardly any arrangement for prevention and certainly no arrangement for continuous prevention.

To conclude, there is a gradual tendency towards centralisation. There are several factors responsible for this trend. They are the following :

(i) The improved means of communication and transport have made it possible to control people and organisations from a distance.

(ii) In order to simplify the administrative work, there is a drive for uniformity. This means more interference from above.

(iii) There is a desire for more power on the part of individuals and organisations at all levels; and

(iv) Central control is essential for ensuring efficiency and economy in local administration.

Model question for guidance

Critically examine the State control over local bodies.

Model Question Paper

Answer any **FIVE** questions

Time : 3 Hrs **Marks : 100**

1. Point out the need for the study of Local Government.
2. Trace the evolution of Local Government in Tamil Nadu.
3. Discuss the importance of Grama Sabha.
4. Describe the Organisation and functions of Panchayat.
5. Sketch the development of Urban Local Government.
6. Bring out the features of Municipal Corporations.
7. Analyse the problems of personnel Administration in Panchayati Raj.
8. Discuss the main sources of Municipal Finance in Tamil Nadu.
9. Evaluate the role of Political Parties in Local Government.
10. Explain the need for State Control over Local Bodies.